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SUCCESS OF PRIVATE FARMING NOTED

AU300600 [Editorial Report] Prague ZEMEDELSKE NOVINY in Czech on 25 November on page 3 carries a 700-word "TW"--signed article entitled "A Valuable Source," dealing with the importance of private farming in Hungary. The article opens by noting the "very good level" of supplies of food to the market in Hungary, which can be confirmed by all Czechoslovak visitors to that country. It goes on to say that this is "undoubtedly" due to the fact that "under the rather specific conditions" of Hungary. "Small-scale agricultural production makes it possible to use free manpower in rural areas in which there is no industry or other employment possibilities." The "very important role" played by small growers in Hungarian agriculture is then illustrated with the following figures--they account for 82 of the 230 billion forints worth of Hungarian gross agricultural output; for 71.9 percent of the country's potato production, 69.7 percent of its vegetable production, 65.9 percent of its fruit production, 24.3 percent of wine production, 12 percent of the production of nonfood crops, 58 percent of pork production, 43 percent of poultry production, 24 percent of beef cattle production, and 57 percent of the production of other domestic animals (such as rabbits or bees).

The article also discusses the "small producers'" close cooperation with cooperative and state farms, which supply them with feed, seeds, fertilizers, herbicides, and technical services.

In concluding, the ZEMEDELSKE NOVINY article notes that the "utilization of this initiative" also contributes to Hungary's exports of agricultural produce, which already account for one-third of the country's proceeds from foreign trade.

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INTERNATIONAL MEETING ON SOCIALISM, ECONOMICS DISCUSSED

Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 3 Nov 86 pp 14-15

[Article by M. Lakicevic: "Symposium: Socialism and Economics"]

[Text] Historically, socialism can be acknowledged only as the most efficient and most democratic system. Political reform must also act on the economy. The problems in Hungary are the result of "bureaucratic market stimulation." Is the demand for autonomy for the enterprise sufficient?

The chronic woe of all socialist systems is economic inefficiency. This is apparently the one thing about which there was no disagreement at the International Round Table on "Socialism and Economics," which was held from 20 through 24 October in Cavtata. In fact, if not the very existence of, then at least the description of inefficiency as unacceptable and pathological was drawn into question. Samir Amin (Dakar) in particular, reacting to Branislava Soskic's statement that socialism itself must prove whether it is an economically efficient system and provide for democratic social relations, put forward the view that perhaps socialism should have criteria for the course of social progress other than that of economic efficiency. A small argument in a similar vein evolved between Pierandiela Garegnanilla (Italy) and Branko Horvat, who, after the latter's statement to the effect that some entirely undemocratic measures at "Fiat" had contributed to an increase in productivity, agreed that economic efficiency and democracy are conditional and are in a correlation only when viewed in the long term.

A profusion of polemics, similar to those already mentioned, is one of the characteristics of this year's meeting in Cavtata--provoked in part by very concrete questions. Such, for example, was the question by Monty Johnston (Great Britain), concerning why workers' councils were abolished in the CSSR after 1968 or why "Solidarity" was abolished, to which Jirzi Dvorzak responded briefly that the workers' councils were hotbeds of anti-socialist forces, and to which Zdzislaw Bombera from Poland answered that an agreement was not signed with the "Solidarity" organization, but rather with the working class, that the leaders of "Solidarity" are anarchist renegades and that the Polish leadership is acting on its ties to the working class.

Reforms--Part of the System

Although the inefficiency of socialism did not appear to be quite so tragic to any of the Western Marxists, day-to-day experience said different things to the representatives of socialist countries, and they gave the greatest amount of their attention to the problem of increasing productivity and to making better use of social resources, and thus--to reforms. But even the phenomenon of change was interpreted in various ways. For some (Yugoslavia, China, Hungary), this means extremely radical changes in the economic and often even in the political system, while for others (CSSR, GDR), this means merely its reform, "enlargements," "improvements." The greatest amount of interest at this meeting was undoubtedly given to the Chinese reforms which, in the words of Sun Dien, are in essence an improvement in the economic efficiency of enterprises. For some time, Dien said, economic development has been concentrated on the quest for higher production while neglecting economic efficiency, "which has resulted in a situation in which industry has sent out good news, the trade situation has been disturbing, warehouses have excess supplies on hand, and the financial sector has registered false revenues." Boris Zlobin (USSR) also emphasized that the "development of cash-commodity relations and the increase in the role of the workers' collective in management" is the essence of Soviet reform.

Listening to the extremely good-humored Hungarian representatives, who by their own admission were continuing their "home" debate at Cavtata, one could not help thinking of our domestic academic-political scene. Thus, for example, Andrea Sego contends that since reforms in Hungary, there has been an increase in shortages, which is in her opinion the result of the inability of managers to make the best investment decisions. She was opposed in this assertion by Gyorgy Markus, who maintained first of all that her initial assumption that Hungary has a decentralized socialist market economy is incorrect. In his words, it is in fact a combination of plans and a regulated market, and that this is very far from a socialist commodity economy. Secondly, Markus said, shortages have not grown since the reforms in Hungary, nor have they been caused by the increase in the duties of the managers of enterprises. And thirdly, and most importantly, the Hungarian problems are not the consequence of the 1968 reforms, but rather of the inconsistency of their implementation in the 1970s, more precisely the "bureaucratic market stimulation."

Of course, talk about economic reforms could not skirt the issue of political systems. The very fact, however, that they were discussed implies much less concerning the approach to this problem. Nevertheless, Gyorgy Markus laudably emphasized that it is recognized in Hungary that efficient economic reform cannot take place without reforms in the political system and that steps were first taken at the end of the 1970s in the direction of a restructuring of the institutional system. Judging from the discussions in Cavtata, there is much less consideration being given to this in China, which can probably be explained in part by the fact that Sun Dien simply failed to hear Monty Johnston's question on the agreement of intention to introduce joint-stock ownership with a struggle against certain capitalist and petty bourgeois securities recently announced by the CPC. Nevertheless, Branko Horvat, pointing to Yugoslavia's experience, which in his words has entered into a crisis situation because of the variance between the economic and the political systems, felt inspired to warn his Chinese colleagues that it is

necessary to develop both economic and political institutions in a parallel fashion, or otherwise they "could have the same thing happen to them in 10 or 15 years that is happening to us now."

Return to the Market

The main point of all reforms is the introduction of real economic categories, respect for economic laws, in short: the market. "But the return to commodity production," Zivojin Rakocovic stressed, "means opening up (objectively and subjectively) any number of conditions, assumptions and elements for the birth of a living bud of socialism," because commodity production is not something that pertains exclusively to capitalism but is rather an achievement of civilization, and socialism has the "historic opportunity to tear this achievement out of the hands of capitalist society."

Of course, when socialists say market, they are also thinking of central planning, and there was much discussion here about the relationship between the two: is the market an instrument of the plan (Branko Horvat) or vice versa (Kiro Gligorov), or is it, as Andrea Sego says, that "quality is important rather than quantity; the issue is not how much plan and how much market, but rather what forms they must assume."

Reforms have generally come about--and one can even say that they have nearly exhausted themselves--in the shape of demands for greater autonomy for producers, greater freedom in management and in the organization of production, and in greater responsibility for economic topics. However, there were no clear answers to the question of how prices should be formulated and what the role of money is in this model (Dusan Pirec). A good illustration of how far the market extends in some socialist countries was provided by the discussion on interest rates. In particular, Dragoljub Stojanov raised the question of whether there is savings and interest in the USSR, to which Viktor Lebedev responded that much money is saved and that interest is two percent, emphasizing that there was for a long time debate concerning whether interest should be treated as workers income, and that the affirmative opinion finally prevailed.

The issue scarcely went beyond the autonomy of enterprises, in search of assumptions for efficiency. The question of what it means in concrete terms and what it requires in the economic and overall social plan, of what its practical economic as well as political consequences are, remained marginal to the discussion. And compared to the relatively clear positions to the effect that separate forms of pluralism are appropriate to socialism--public, cooperative, private (Gyorgy Markus) as well as direct support of joint-stock ownership (China, Sun Dien), it appears that even social ownership has remained free of question and has retained enough of its "untouchableness." In fact, questions that had been reserved for Yugoslav theorists who have been able to observe in practice the weaknesses of "autonomy of enterprises" were based on an undefined or "non-specific" and "universal-international" concept of social ownership. However, their questions--such as the one that Branislav Soksic raised to Boris Zlobin concerning whether workers will reduce their personal income if they work poorly while managers lose their jobs, and whether workers organizations will decline if they operate poorly over a long

period of time and what will happen to their workers--were not met with direct and full answers. Answers were given, although from other parties. The most complete one was found in the words of Bogomila Ferfilja, who said that our enterprise is not affected by market selection; private producers doing profitable business are driven by the fear of loss, which is a motivation that our worker does not have. In the socialist economic system there is no built-in mechanism, Ferfilja continued, that would force workers to follow events on the market, to pool money, invest, etc. This is why the themes of social ownership are rigidly fixed on what is happening on the market, and this in turn means a reduction in the market itself. From here, Ferfilja concluded, it is necessary to transform the topic of social ownership into the direction of its commodities, and it is here that socialism is at its very beginnings. However, commodity production, Radovan Milanovic noted, demands the indirect management of economic and social affairs, and there is a great amount of fear of this in all socialist systems.

12271

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IMPORTANCE OF PRICING IN ECONOMIC MECHANISM VIEWED

Prague HOSPODARSKE NOVINY in Czech No 40, 1986, pp 1, 4

[Article by Eng Vlastimil Boura, Candidate for Doctor of Science, first deputy minister, Federal Price Office: "The Focus Is on Costs: Prices as a Part of the Economic System"]

[Text] The 17th CPCZ Congress ordered a rationalization of wholesale and procurement prices in relation to socially necessary costs and world prices in order to increase the economic pressure exerted by prices on the intensification of the capital replacement process. In conjunction with this the Federal Price Office and other agencies have prepared a draft for implementing wholesale prices in industry and construction beginning 1 Jan 1988. This will involve changes in the wholesale prices of 75 percent of industrial output and all the products of the construction industry. In addition there will be related changes in the procurement prices of agricultural output and the output of the food industry. The fundamental objective of these price modifications is to exert downward pressure on production costs, to increase the value added to raw materials, materials and energy, and to speed up R&D progress. This will be achieved through a substantial reduction in wholesale prices.

Work on wholesale price rationalization is in full swing. The overall objective is to use prices to differentiate between effective and ineffective products, and to provide reliable comparisons of the effectiveness of our producers with that of leading world producers. At the same time price incentives can be used to force organizations to improve production efficiency and expand the number of state of the art items in their product lines.

What the Basis for This Is

Prices will be modified to reflect cost reductions realized in the Eighth 5-Year Plan and will include only a normal level of profit sufficient to provide for planned expanded replacement at the sectorial level, standard levels of fund formation and transfers of profits to the state budget. Reductions in costs and profits will be the main sources of reductions in wholesale prices. They will be on the order of 9 percent for the national economy. This should at the same time increase the value of the koruna in relation to other currencies.

This is putting employees, and especially managers, under unaccustomed pressure: if they do not increase efficiency significantly the profit component of prices will be swallowed up by higher costs. This will have a negative impact on fulfilling adjusted value added targets, wages payable resource formation, economic incentive funds and the overall earnings of a given organization.

The strict objectivization of those costs and profits that make up prices is only one aspect of the monetary expression of value. A second aspect, no less important, is the objective comparison of the use values of products--their parameters--with world standards, and a proper price expression of quality, life cycle, operational reliability, projected savings and efficiency for the end user and, primarily, a product's contribution to overall foreign economic relations.

The relationship to foreign prices is critical, given the price formation environment for the Eighth 5-Year Plan, for determining the final national economic contribution of a given product. Prices of important products for our economy will be formed based on foreign price relationships. On the one hand this technique takes account of our production conditions by being based on current domestic prices for related products. On the other hand, it assures that changes in performance characteristics are reflected in the price in accordance with the international division of labor.

The responsibility of managers has increased in the current 5-Year Plan to apply parameter-based techniques of price formation to products whose performance characteristics or important use values have changed in a way that can be quantified, provided that an adequate number of prices have been established for comparable products so that price changes can be linked to changes in critical parameters. A computer program that has been developed by the Price Calculation Laboratory of the Federal Price Office will facilitate the expanded use of parametric techniques. This program is a part of the national database of model programs and is available to all organizations that have computers.

There are increased incentives to determine wholesale prices based on retail prices that reflect the market potential of a given product. The objective is to limit the extent to which unjustifiably high production costs are incorporated into wholesale prices, thus leading to a reduction in net social income and, specifically, lower sales taxes.

Along with parametric techniques, calculational techniques of price formation are also being improved. This is particularly true of price formation based on individual and comparative calculations. These are the least objective, because they make it the easiest for enterprises to include individual costs in prices. The comprehensive implementation of calculation rates for administrative and production overhead and for profits that are carried out by the Federal price Office in 1984 made this technique much less attractive for enterprises. There are also stricter requirements for documenting price increases for enterprises. There are also stricter requirements for documenting price

increases for enterprises that use an individual calculation technique. In cases of particularly important products a report must be filed of the projected impact of a proposed price increase on the cost structure of the consumer.

Price Relationships

So far we have discussed price formation in relation to costs, profits and foreign prices. There is one more area that is a very important aspect of the ongoing rationalization of wholesale prices, namely relative prices. Prices relative not only to world levels but also relative to the domestic price structure.

When beginning work on wholesale price modifications, the first measures taken were to establish new prices for fuel and raw material resources in relation to world prices. These new relative prices, along with objectivized costs for ores and alloying metals have made it possible to reduce the wholesale price level of metallurgical products and to objectivize their price relative to their use values in both processing and final applications.

The difference between the prices of the highest and lowest grades of lower grade steel will be reduced from the current 27 percent to 11 percent. The prices of microalloyed steels will be closer to those of common structural steels. Generally, prices will increase at a slower rate as the yield point of given types of steel increases. This will improve the utilization of the mechanical properties of steel, since the yield point is considered its basic mechanical property. By the same token the relationship between the prices of deep-drawing steel and structural steel will be derived from relative foreign prices.

The foregoing pricing environment will be used to reduce significantly the price of higher grade steels to bring these in line with the prices of the lower grades. The purpose here is to provide greater incentives for our engineering sector to make greater use of higher grade steels, thus reducing the weight and improving the quality of the metal used in our machinery. Specifically the average wholesale price of grade 14-16 steel will move closer to the price of grade 12 steel by 18 percent. The greatest reductions will take place in steel used for the nuclear power program, but steels used for bearings, special nickel steels, high-speed steels, etc., will all also have much lower prices. The same goal of rationalizing wholesale prices also applies to custom work, special sizes, tests, finishes, etc., with the goal of objectivizing price relationships based on use and to offer incentives for conserving metal.

The initial phase of the restructuring of wholesale prices also included the chemical industry. The large amount of work that has already been accomplished enables us to evaluate rationalization to date in terms of relative prices. A significant reduction of more than 25 percent in the prices of refinery production will make it possible to set relative prices that will facilitate

increased processing of crude oil. Instead of using heavy heating oils to generate heat we will begin processing these heavy oils into light oil products and semi-finished products with greater use values; in the area of gasoline for pyrolysis this will involve a reduction in production costs of basic plastics that is intended to stimulate their use as an alternative to more traditional materials in other industrial sectors.

Likewise, reductions in the price of synthetic fibers will allow us to set effective prices relative to natural fibers. This is part of a program for the further development of synthetic fiber production in the Eighth 5-Year Plan by improving their quality. It also involves the interchangeability and combination of certain synthetic fibers, but above all interchangeability between synthetic and natural fibers. Synthetic fibers will be priced more favorably in relation to cotton by some 15 percent, and in relation to wool by 14-17 percent.

Selected groups of qualified, specialty chemicals also receive preferential pricing under state priority program 09.

Favorable Climate for Innovation

We are attempting to create a favorable climate for innovation within the khozraschet sphere both by rationalizing wholesale prices as of 1 Jan 1988, but also through new elements incorporated into price formation for new products. Price premiums of up to 25 percent offer incentives to enterprises to produce technically advanced and high quality products. Such products are defined by the appropriate commission on R&D or state and sectorial testing labs. The approved draft of amendments to law No 30/1968 concerning state testing operations tightens the criteria for evaluating products, so that the title of technically advanced product or high quality product and the attendant preferential pricing will recognize truly superior products with state of the art performance characteristics, thus preventing pseudoinnovation.

When properly utilized, this pricing mechanism will assure that prices of products meeting the necessary conditions will be favorable for both the producer and the customer. This role of pricing in speeding up the pace of innovation for technically advanced and high quality products will be enhanced by the fact that greater efforts will be devoted to implementing pricing penalties for goods designed by R&D commissions or state and sectorial testing labs as technically obsolete (or of inferior quality). So far the situation in this regard is highly unsatisfactory because declaring a product actually to be technically obsolete or of poor quality is the exception, an isolated occurrence, which obviously does not correspond to the actual situation in the marketplace.

In the Eighth 5-Year Plan pricing penalties will also be imposed (beginning in 1987) on products which fail to fulfill minimal plan targets for export efficiency.

The assumption is that bringing differences in profitability at the wholesale price level into line with the export efficiency of a given product will facilitate an identify of interest between producers and foreign trade organizations in making necessary changes in the structure and innovational focus of production programs. Reducing the prices of current production and making it harder for organizations to obtain financing will force producers to make innovations more rapidly and to introduce more technically advanced products, which will be reflected in higher prices, under the new, stricter valuation criteria.

In other words, the foundation of the innovation-enhancing pricing policy of the current 5-Year Plan is a differentiated reduction in the wholesale prices of current production and a more complete linking of price formation and price incentives for new products that have a proven social utility as shown by their acceptance on foreign markets.

Prices in the new system will be used to a greater extent to differentiate not only the technical sophistication but also the economic effectiveness of higher level innovations, in contrast to normal changes in a product line. This is accomplished primarily through differences in permissible increases in profit in the price of new products. For lower level innovations this amounts to twice the profit (10-15 percent of the price), while for more technically advanced products the figure can amount to 25 percent of the price. This increase in profits is incorporated in the adjusted value added indicator with an intensity that is at least a factor of three greater than normal. It is also therefore reflected in the formation of wages payable resources. For the highest level innovations, i.e. those in robotics and microelectronics a system of dual pricing will also be played which allows producers to recoup some of the significantly higher startup production costs for this type of product.

In determining pricing advantages (the temporary increase in prices and profits for a producer) not only the level of innovation, quality, and technical sophistication are considered but above all the final economic impact of a new product in comparison with existing products. In other words, preferential pricing is linked not only to classification as a technically advanced, high quality product, but also to the perceived economic impact of a given innovation. This is defined for exported products as an increase in the export effectiveness of a product and for domestic products as the success they achieve with domestic consumers. No preferential pricing can be granted until all these conditions are fulfilled.

The quality of standard setting for the consumption of all factors in production, revisions in the planning of costs and improvements in the quality of calculations in production organizations all remain key issues. Senior enterprise and VJH managers must master completely cost categories and calculations as tools of their management. They can no longer settle for generalized information concerning the development of costs as a whole. On the contrary they must

demand that detailed analyses of the development of costs be undertaken for every cost category. Relaxing in this area and experiencing overruns beyond the costs calculated into prices will inevitably result in the swallowing up of projected profits, which will in turn have negative consequences for both individual and enterprise economic incentives.

We have begun the practical implementation of the 17th CPCZ Congress directives with this pricing policy. The comprehensive improvement of the efficiency of the economic system also requires thorough integration in other areas as well that are connected with the smooth functioning of pricing. These areas include planning, financing, transfers and taxes, individual and enterprise economic incentives, the technical and economic evaluation of new products, increasing the interaction between the organizational earnings and the efficiency of the capital replacement process and exports. The implementation of measures aimed entirely at prices without also implementing related steps in other areas will seriously inhibit the practical efficiency of new wholesale prices that will take effect in our economy as of 1 Jan 1988.

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CEMA KEY TECHNOLOGY PROGRAM; MUTUAL BENEFITS, REDESIGN VIEWED

East Berlin WIRTSCHAFTSWISSENSCHAFT in German Vol 34 No 11, Nov 86 pp 1627-1641

[Article by Wolfgang Mielich, Dr of Economics, certified economist, certified sociologist, born 1951, scientific assistant with the Institute for Economy and Politics of Socialist Nations, Academy of Social Sciences, CC SED. Original title: "Cooperation among CEMA Member Countries in Industrial Rationalization and Redesign Efforts".]

[Text] At the present stage, the states of the socialist community have to solve tasks of far-reaching effects. These tasks, states the report of the Central Committee to the 11th SED Party Congress, "are determined by the necessity for accelerating science and technology, and by everything that is needed for the shaping of our socialist society, for the historic confrontation with imperialism, and the struggle for securing peace." (Footnote 1) ("Report of the Central Committee of the Socialist Unity Party of Germany to the 11th SED Party Congress," reporter: E. Honecker, Dietz Verlag, East Berlin 1986, p 13) At the latest meeting in Budapest of the Political Advisory Committee of the member states of the Warsaw Pact on 10 and 11 June, it was again emphasized that increasing importance is being placed on an ever better linking of the advantages of socialism with the requirements of scientific-technical progress and its joint utilization within the framework of socialist economic integration. (Footnote 2) (Compare "Gemeinsame Stellungnahme des Politbueros des ZK der SED, des Staatsrates und des Ministerrates der DDR. Zu den Ergebnissen der Tagung des Politischen Beratenden Ausschusses der Teilnehmerstaaten des Warschauer Vertrages am 10. und 11. Juni in Budapest" ["Joint Statement of the Politburo of the SED Central Committee, the Council of State and the Council of Ministers of the GDR. On the Results of the Meeting of the Political Advisory Committee of the Member States of the Warsaw Pact in Budapest on 10 and 11 June"], NEUES DEUTSCHLAND, 19 June 1986, p 1) Of decisive importance is the implementation of the complex program of scientific-technical progress of CEMA member states to the year 2000, which was adopted at the 41st (extraordinary) CEMA meeting. The complex program aims at combining forces for the accelerated development and application of key technologies, that is to say, those processes which today determine the dynamics and character of the development of productive forces and are, therefore, decisive for further progress in intensification, being at the center of economic policy of the fraternal countries. The effects of intensification will be all the

greater the better we succeed in applying the attained scientific-technical results rapidly, in great breadth, and in an economically effective manner in the national economies of the CEMA member states. This includes the task of combining the latest findings of science and technology in a constant process with the existing material-technical base, and to integrate them in the existing production apparatus through rationalization, reconstruction and modernization. The demands on the scientific-technical level, the speed and breadth of these processes, require also the development of international socialist division of labor. Under this aspect, even greater importance falls to cooperation among CEMA member countries, practiced since the mid-1970's as a new form of collaboration in the rationalization and reconstruction of existing production capacities. This cooperation makes a growing contribution to solving the tasks formulated in the complex program of effective utilization of existing production capacities, the scientific-technical potential, and the existing scientific-technical achievements of CEMA member states. (Footnote 3) (See "Komplexprogramm des wissenschaftlich-technischen Fortschritts der Mitgliedslander der RWG bis zum Jahre 2000" ["Complex Program of Scientific-technical Progress of CEMA Member Countries to the Year 2000"], EINHEIT, Vol 2/1986, p 176)

During the period 1981 to 1985, about 80 industrial projects were the object of such cooperation between the GDR and the USSR. Forty-five enterprises of light industry and machine-building were redesigned in cooperation between the USSR and the Hungarian People's Republic. The USSR and CSSR jointly expanded and redesigned some 30 projects. Cooperation between the USSR and the People's Republic of Bulgaria in rationalization and reconstruction involved several dozen enterprises of the chemical, foodstuff, and light industries. (Footnote 4) (Compare A. Belowiz, "Rekonstruktion und Modernisierung der Produktion" ["Reconstruction and Modernization of Production"], AUSSENHANDEL DER USSR, Vol 2/1986, p 7) Well-known examples of cooperation between the GDR and USSR are the redesigning of the VEB electric machine building Sachsenwerk Dresden, the joint rationalization and reconstruction of the armature works in Magdeburg and Pensa, as well as extensive GDR participation in the modernization of the Soviet foodstuffs and light industries, for example, capacities for the production of carpets and leisure-time shoes in the Moldau SSR.

A Complex Form of Integration Cooperation

Cooperation among CEMA member countries for the rationalization and redesigning of industrial enterprises comprises the contractually regulated, coordinated use, jointly or through division of labor, of material, financial and labor resources in preparation and implementation of projects for the rationalization and reconstruction of enterprises and production sections. It is directed, partially or entirely, at modernization, renewal and expansion of fixed assets, the development and introduction of progressive technologies and solutions for labor organization, the development and introduction of new products, exchange of experience, and training of cadres. Its goal is to create the material-technical preconditions for increased work productivity and effectiveness of social production, and quantitatively and qualitatively improved supply of productive and consumer needs for the respective products, as well as strengthening the export potential of the participating national economies.

This is to be accomplished through maximum use of the concentration, time, structure and transfer effects accruing from international socialist division of labor, and through further development of the socialist nature of work.

This cooperation of CEMA member states in rationalization and reconstruction, thus defined, is the expression and concrete outward appearance of progressive international, socialist socialization and work. If the function of international socialist socialization as a rule consists in promoting the development of productive forces in CEMA countries on the basis of expanding socialist production conditions in the integration process, cooperation among CEMA member states for rationalization and reconstruction has a further function, namely, to support in an economically effective way further development of the countries' material-technical base through utilization of international socialist division of labor.

In connection with the character and dynamics of developing productive forces as well as the transition to comprehensive intensification, economic and international socialization processes grow more complex. Cooperation among CEMA countries in rationalization and reconstruction which, in its developed form, contains the entire cycle of science-technology-production, is an expression of this growing complexity. It combines various elements of international socialization processes and increases, even multiplies, their effects.

The development of cooperation among CEMA member states for rationalization and reconstruction makes possible, and also requires, the utilization and close, planned combining of various forms and methods of collaboration within the framework of socialist economic integration, above all scientific-technical cooperation and international socialist specialization and coordination of production.

As the practice of cooperation shows, joint implementation of rationalization and reconstruction measures requires the development of close scientific-technical cooperation among the partners. Great effects are achieved by applying the most advanced experiences of the partners and by meaningful utilization, on the basis of division of labor, of existing research, development and project capacities; these effects are mostly due to the high standard of scientific-technical solutions and acceleration of the respective work. Areas of scientific-technical cooperation within the framework of joint projects of rationalization and reconstruction are, above all, planning, the development of technology, equipment and rationalization means, as well as new and further development of products of the enterprises to be redesigned.

Based on detailed analyses comparing the technical-economic level of the production processes and products, concrete decisions are made on the division of labor. All basic forms of scientific-technical cooperation are applied and combined. One example for research coordination is the often practiced, coordinated development of various positions for the required special technological equipment. Research cooperation is also applied, for instance, in the form of projecting for a reconstruction project, with division of labor.

Within the framework of cooperation between the GDR and the USSR in redesigning nine Soviet garment enterprises, the GDR side worked out the technological part of the projects, while the other project parts were realized by the USSR. Certain tasks are also solved through joint research. For instance, the use of intensification brigades, composed at par, in similar, cooperating economic units constitutes an important form of joint technological research. On the basis of a ministerial agreement between the GDR and USSR on cooperation for increasing the effectiveness of production and quality of polyamide cord silk, for example, such intensification brigades have been at work since 1976 in enterprises of the synthetic fiber combine "Wilhelm Pieck" Schwarza and the production association "Chimvolokno" and produced a great number of proposals, the implementation of which brought considerable economic profit to both partners.

The relationship between scientific-technical cooperation and the cooperation for rationalization and reconstruction is characterized by a close reciprocal effect. For one thing, scientific-technical cooperation is a necessary, integral component of the cooperation for rationalization and reconstruction, since it is a matter of developing new technical-technological solutions by using the experience and potentials of all partners concerned. For another, scientific-technical cooperation receives new impulses and development possibilities, and its effects are strengthened, through the development of cooperation for rationalization and reconstruction. This shows in the following:

--The possible continued or multiple use of scientific-technical results is especially effective. Such multiple use occurs within the framework of the various projects, in which several similar enterprises are the object of cooperation, as well as in the possibility of making additional economic use of the experience stemming from the joint implementation of such projects. For example, on the basis of cooperation with the household sewing machine works in Wittenberge and Podolsk, nine additional sewing machine works are to be redesigned in the USSR. Even better utilization of this widening effect in CEMA cooperation includes the prospective requirement that cooperation for rationalization and reconstruction, so far organized almost exclusively on a bilateral level, should also be developed multilaterally in certain suitable sectors.

--Important impulses for technological development grow out of cooperation for rationalization and reconstruction, which is of decisive significance for intensification. Within the framework of this cooperation it is possible to utilize the effects of close cooperation between producers and users (by including the producers of production means) as well as opening up the advantages of direct cooperation between producer and producer, since as a rule, similarly profiled enterprises are the major partners of cooperation. Through this combination, and through the specific object of cooperation, questions of technology development are the focal point. Simultaneously, it is also possible to closely combine and mutually coordinate the development of technology, equipment and products.

Cooperation in rationalization and reconstruction also raises the question of the possibilities of developing international specialization and cooperation relations in production. The possibilities of production expansion, increasing the scientific-technical standard of the products, and the effectiveness of production, stemming from appropriate concentration and structural effects, create favorable preconditions for better supplying the needs of the participating national economies for these products, and for strengthening their export power. A coordinated combining of joint measures for rationalization and reconstruction with the development of international socialist specialization and cooperation in production is of very great importance because, in many cases, the attainable expansion of serial production and increased lot sizes only make possible and economically meaningful the application of the latest technological and production-organizing solutions. (Footnote 5) (For example, reduction of the product nomenclature of the VEB Sachsenwerk Dresden from 28 to 13 groups of electrical machines, on the basis of an agreement on specialized mutual goods exchange, was an essential prerequisite for implementing the project of redesigning this enterprise in cooperation with the USSR. See H.Hahn, "Gemeinsame Rekonstruktion foerdert Leistungswachstum" [Joint Reconstruction Promotes Performance Growth"], EINHEIT, Vol 8/1983, p 747)

Within the framework of cooperation in rationalization and reconstruction, the following possibilities and requirements are created for utilization of international socialist specialization and production cooperation:

- specialized production and exchange of rationalization means,
- direct specialization in the range of products of the projects to be redesigned (referring to final products as well as components and individual parts),
- further updating of machinery and equipment delivered earlier by the specialized partner, utilizing complex modernization solutions.

Division of labor in the production of rationalization means as well as specialization in the product range are tied directly to the requirement that a high degree of technological-constructive similarity of production and products must exist. Respective norms, standards and regulations must correspond to a great extent. This causes the necessity of developing, in addition to the collaboration of direct partners in rationalization and reconstruction, close cooperation ties to the economic units manufacturing production means.

Cooperation in rationalization and reconstruction can create preconditions for developing new lines of specialization, or stabilizing and making more effective existing lines, in whose maintenance both partners are interested. For instance, in the cooperation between the GDR and the USSR for the rationalization and redesigning of enterprises specializing in agricultural machinery repair in both countries, the goal is to considerably improve and make more effective the supply of spare parts for imported agricultural machinery within the framework of long-term specialization agreements. Thus the need for further development of the material-technical base of specialized product lines proves to be a significant starting point for the development of cooperation among CEMA member states for rationalization and reconstruction.

The complexity of cooperation among CEMA member states in rationalization and reconstruction, and the possible and necessary combination with various forms and methods of cooperation also determine its place in the total process of socialist economic integration. Cooperation among CEMA member states in rationalization and reconstruction does not represent a fundamentally new form of integration cooperation, but rather is carried out through the use of known forms and their combinations. Yet the complexity of this cooperation, its specific object and its function do not permit that cooperation in rationalization and reconstruction be assigned fully and without limitation to one of the known forms and methods of integration cooperation. For this reason, one can speak of a relatively independent position of this cooperation within the process of socialist economic integration, a cooperation characterized by a "particularly intensive collaboration in science, technology and production." (Footnote 6) (See Authors' Collective, "Spezialisierung zwischen den RGW-Laendern" ["Specialization and Cooperation among CEMA Countries"], Verlag die Wirtschaft, East Berlin 1984, p 94) In theory and practice, therefore, it is an important task to further examine the specific effectiveness potential of this type of cooperation as well as the conditions and prerequisites for its development.

Cooperation in Rationalization and Reconstruction Promotes Comprehensive Intensification

In the GDR, the USSR, and in other CEMA member states, efforts for the further development of the economy of mature socialism are directed at solving the strategic task of ensuring a stable and lasting economic growth and social progress through comprehensive intensification. The economic and scientific-technical cooperation among CEMA countries within the framework of socialist economic integration must contribute to this ever more effectively. The contribution to intensification, acceleration and implementation of scientific-technical progress, to increased productivity and effectiveness of societal production, becomes the decisive criterion for all integration measures. This also provides the yardstick for assessing the importance of cooperation among CEMA member states in rationalization and reconstruction.

In the process of further forming and developing the type of predominantly intensively expanded reproduction, rationalization, redesigning and modernization are gaining increasing importance as intensification-typical ways of developing further the material-technical base. Greater concentration on these predominantly intensive forms of fixed asset reproduction make it possible to lower the expenditure of human and material labor in the reproduction process. The use of more productive equipment, new technologies and work-organizational solutions, as well as the introduction of new or improved products with fewer man-hours compared to the replaced products, offer great possibilities for improving the economy of human labor. Numerous effects for improving the economy of current material labor expenditure result from the possibilities, linked to the implementation of rationalization and reconstruction projects, of applying progressive technological procedures and the transfer of new products which save material and energy. Of particular importance for the transition to comprehensive intensification is the possibility of also gradually improving the economy of one-time expenditures of

material labor. Because of greatest utilization of existing fixed assets, the smaller proportion of construction investment, shorter implementation time, and reduction in the payback period, implementation of rationalization and reconstruction projects are as a rule economically more effective than implementation of comparable new construction. Simple reproduction, particularly through modernization of machines and equipment, is used as a "real factor of accumulation" (Footnote 7) (K.Marx/F. Engels, "Werke" ["Works"], Dietz Verlag, East Berlin 1956 ff., Vol 24, p 394), and thus as a source of expanded reproduction. In justifying such a possibility, Marx proceeded from the premise that in simple reproduction, material reproduction of the means of work employed in the production process can and must be realized at a higher scientific-technical level. Combined with the possibility that funds coming back from amortizations can be used, in part independent of the time of replacing worn means of work, make possible a reproduction on an expanded scale. "Although...fixed capital per se continues to be active in the reproduction process, part of its value, depending on average wear and tear, has been transformed into money with the circulation of a product...This part of fixed capital transformed into money can serve to expand the business, or to make improvements in machinery which will increase their effectiveness. Reproduction thus takes place in shorter or longer intervals, and--from the viewpoint of society--reproduction on an expanded scale." (Footnote 8) (Ibid., p 172)

One must agree with W. Heinrichs and K. Steinitz who call the process of renewal of productive potentials already existing and in use the "field of testing, application and expansion" of basic scientific-technical innovations. (Footnote 9) (W. Heinrichs/K. Steinitz, "Neuerungen, Produktivkraftentfaltung und umfassende Intensivierung" ["Innovations, Productive Force Development and Comprehensive Intensification"], WIRTSCHAFTSWISSENSCHAFT, Vol 1/1986, p 6) In this regard, the processes of rationalization and reconstruction--this always includes modernization of fixed assets--are of great importance for the implementation of key technologies. They contribute to their rapid expansion as well as to earning the considerable sums needed for their further development.

Saving man-hours, material and energy, possibilities for higher processing of raw materials used, high quality standards, improved working and living conditions including less environmental stress, and creating possibilities for introducing new products economically advantageous for both producers and users--all these aspects have their essential origin in the application of modern technological procedures. For this reason, a constant change of technologies, keeping pace with the international development tempo in science and technology, is an essential prerequisite for a stable growth of productivity and effectiveness.

On the basis of economic efficiency, this is a task to be realized primarily through rationalization and reconstruction of the existing material base. Cooperation with partners from other CEMA member states, which--although to varying degrees--are faced with basically the same tasks, proves to be an important and tendentially indispensable possibility to accelerate these processes, to raise their dimensions and scientific-technical level, and to

make them more effective overall. It is above all the following reasons which emphasize the objective necessity for increased utilization of the possibilities of international socialist division of labor in the rationalization and reconstruction of existing production capacities:

1. In general, the importance of cooperation among CEMA member states increases in the development of the material-technical base. This results primarily from the fact that today, more than ever, the development stage of the material-technical base determines the scientific-technical level of products, their quality, and their economy in production and use. The development of the material-technical base of the individual national economies, of the type of primarily intensively expanded reproduction, can and must be effectively supported through coordinated, division-of-labor, or joint use of the countries' scientific-technical potential and material resources. From the fact that the products to be exchanged--as planned results of various integration measures--are essentially determined by the level of the material-technical base, stems a joint interest in further developing the countries' material-technical bases, to approximate their scientific-technical levels, and to increase the fit of corresponding technical solutions. As a trend, the focal point of endeavors shifts to combining the latest results of science and technology with the existing production capacities.

2. The scientific-technical level of the solutions, and the quality of the products, is increased by the possibility of applying the most progressive technology and experience available in the countries. The increasing significance of process-specific and product-specific solutions demands not only a closer collaboration between producers and users of machines and equipment, but also opens up new possibilities for direct cooperation between producers of a similar line. In cooperation for the rationalization and reconstruction of their production capacities, the respective experiences in developing and implementing tailor-made technical-technological solutions can be utilized effectively for both partners.

3. Such cooperation can also open up additional effectiveness reserves. This leads to savings of research and development expenditures and to a broader distribution of the necessary preparatory work through a multivalent use of the solutions. Effects of concentration, structure and exchange can be attained through specialization or coordination of production with regard to the products or product components from the objects to be reconstructed, and of equipment and rationalization means. Lastly, time gains can be achieved through effective division of labor between the partners in the preparation and execution of the rationalization and reconstruction projects. This corresponds to the basic requirements of the economy of time and, above all, accelerates the implementation of renewal processes.

4. Such cooperation expands the possibilities for the execution of rationalization and reconstruction projects. This concerns above all expansion of the potential of research, development and projecting capacities, as well as capacities for the development and production of modern equipment and rationalization means.

In order to effect as completely as possible these advantages of cooperation, proven through initial practical results, further efforts are needed to improve economic preconditions as well as planning and managerial conditions for the effective cooperation between partners from CEMA member states in rationalization and reconstruction.

Successful Cooperation Between GDR and USSR Enterprises in Rationalization and Reconstruction

Approximately since the mid-1970's, enterprises of the GDR and USSR are cooperating more directly in the rationalization and reconstruction of their production capacities. The object of such projects were, for instance, enterprises producing industrial armatures, electric motors, furniture, and washing machines. Based on these first examples, cooperation in rationalization and reconstruction during the 5-year plan period 1981 to 1985 was rapidly expanded and has assumed economically noticeable dimensions in some sectors and areas. At present, about every sixth governmental and ministerial agreement between the GDR and USSR focuses on measures for the rationalization and reconstruction of enterprises and production sections.

While the agreements, during the initial phase of cooperation, covered mostly simultaneous or consecutive rationalization of similar enterprises in both countries, since the beginning of the 1980's, such agreements were increasingly concluded which provide for cooperation in rationalization and reconstruction of one or more enterprises in only one of the partner countries, primarily in the USSR. This development is due above all to the fact that the USSR, in implementing the CPSU program for foodstuffs, consumer goods and the service sector, is making great efforts to modernize the Soviet foodstuff and light industries and simultaneously considers the contribution by other CEMA member states to solving these issues as an export equivalent.

In the course of cooperation to date, many positive results were achieved. This finds its expression, for instance, in the fact that, through the development of cooperation, projects could be executed which could not be implemented by one's own strength alone (for example, redesigning the VEB Sachsenwerk Dresden); that a number of projects were considerably accelerated through international division of labor; (Footnote 10) (For instance, it is estimated that the project of redesigning the VEB armature works "Karl Marx," Magdeburg, was shortened by about 2 years through cooperation with the Soviet partner enterprise, particularly through concentration of the research and development potential and mutual utilization of existing experience) that technical-technological solutions of high standards were realized, and that a considerably improved supply of many products was achieved.

Measured against the requirements for increased and more complex use of the integration processes for intensification, the present development of this cooperation can only be considered a beginning with regard to its extent, structure and effectiveness in order to realize the economic strategies of the fraternal countries.

In principle, it is the content and basic similarity of the economic strategies of the CPSU and SED which require and make possible a further strengthening of cooperation in rationalization and reconstruction. The documents of the 27th CPSU Party Congress characterize rapid renewal and qualitative perfecting of the material-technical base through a new technical reconstruction of the economy on the basis of the findings of the scientific-technical revolution as a task of truly historic dimensions and a firm foundation for overall intensification. (Footnote 11) (Compare 27th Party Congress of the CPSU, "Ueber die Hauptrichtungen der wirtschaftlichen und sozialen Entwicklung der UdSSR von 1986 bis 1990 und fuer die Perspektive bis zum Jahr 2000" ["On the Major Directions of Economic and Social Development of the USSR from 1986 to 1990 and the Outlook to the Year 2000"], reporter: N.I. Ryshkov, Dietz Verlag, East Berlin 1986, p 18 f.)

The economic strategy of the SED, presented at the 11th Party Congress with a view to the year 2000, which aims at constant strengthening of intensively expanded reproduction and putting it on a permanent base, also is oriented toward higher development of the material-technical base with extensive use of intensive forms of fixed asset reproduction. "The major part of investments serves the modernization of fixed assets, whereby existing buildings are utilized. Only in this context will projects of top technology lead to the necessary strengthening of our material-technical base. The share of rationalization investments will continue to be expanded." (Footnote 12) ("Report of the SED Central Committee to the 11th Party Congress of the SED," op. cit., p 53)

Such orientations increasingly characterize the processes of cooperation, also. The program on the development of cooperation between the GDR and USSR in the fields of science, technology and production for the period to the year 2000 contains the explicit proviso that cooperation in rationalization and reconstruction is to be expanded. (Footnote 13) (Specifically, it states: "[Both] sides will constantly expand cooperation for intensification of production and of scientific-technical work...For this purpose, both sides will actively expand cooperation for the reconstruction and modernization of enterprises, production sections and processing areas in order to increase production output and quality standards at lowest cost." "Programm der Zusammenarbeit bis zum Jahr 2000 zwischen DDR und UdSSR in Wissenschaft, Technik und Produktion" ["Program of Cooperation to the Year 2000 Between the GDR and USSR in Science, Technology and Production"], NEUES DEUTSCHLAND, 8 October 1984, p 9) On the occasion of concluding coordination of the national economic plans of the GDR and USSR for the period 1986 to 1990 it was reaffirmed that "cooperation in the reconstruction and modernization of enterprises in both countries" is one of the "prospective complexes of cooperation" to be focused on constantly. (Footnote 14) (See "Neuer Schritt zur Vertiefung der Zusammenarbeit DDR-UdSSR im Zeitraum von 1986 bis 1990" ["New Step for the Deepening of GDR-USSR Cooperation in the Period 1986 to 1990"], NEUES DEUTSCHLAND, 1 November 1985, p 6)

The practice of cooperation between the GDR and USSR in rationalization and reconstruction shows that the respective economic and industrial interests, based on differentiated conditions, possibilities and requirements, produce a

great number of motives for the development of such cooperation. The common interest in such a cooperation is formed by similar interests--for instance, with regard to improving sufficient supplies of certain products, or raising the scientific-technical level of production and products--as well as by a number of specific interests. These result primarily from the differing development level of the scientific-technical and economic parameters of technologies and products in the various areas and sectors, from differences in the production and export structures due to historical and natural conditions, and from potentials and capacities developed differently as to extent and structure in the areas decisive for the implementation of rationalization and reconstruction projects. It is necessary to assess the prospective development of the partners' interests in order to determine the economic strategy for the increased utilization of such a cooperation. The following aspects appear to be of particular importance:

1. Starting with the basic lines of division of labor and the traditional export-import structure existing between the GDR and USSR, the GDR will in the future, also, concern itself with actively adjusting to the requirements of the USSR as a precondition for the continued, stable procurement of raw materials and fuels. In view of the USSR's great need for reconstruction in its entire economy on the one hand, and the GDR's favorable circumstances for performing such services on the other hand, it appears both necessary and possible to further expand cooperation with the USSR in rationalization and reconstruction as an export line for the GDR. In the long term it is also necessary to further increase the contribution of this cooperation for the intensification of the economy, also through greater and direct use of USSR production experience and capacities in rationalization and reconstruction projects in the GDR. The experience garnered in the joint rationalization and reconstruction of the armature works in Magdeburg and Pensa, and of the electric motor works in Wernigerode and Jaroslavl, shows that good possibilities for intensification-specific solutions of complex task settings in both partner countries accrue from cooperation between similar economic units with a high scientific-technical level.
2. With regard to the present focal points of cooperation--in the foodstuffs and light industries--one must expect a continued, high reconstruction need in the USSR. One can proceed from the premise that in the future, also, great possibilities for participation by CEMA member states are opened up in the implementation of the CPSU resolutions, such as the foodstuffs program, and the program for the development of consumer goods production and the service sector. At the same time, growing demands for supplying the population and for the development of exports and consumer goods make it necessary that, increasingly, equipment, labor and funds are also needed for the rationalization, reconstruction and expansion of these sector capacities in the GDR.
3. Even more effective use of cooperation among CEMA member states in rationalization and reconstruction for intensification requires primarily its greater expansion to those sectors determining scientific-technical progress. Increasingly, the sectors of the metal-processing industry, particularly machine building, the electric technology/electronics sectors, appliance

manufacture and the chemical industry will be the objects of such a complex cooperation in rationalization and reconstruction, transcending mere exports of installations. (Footnote 15) (Appropriate agreements already exist. Within the framework of this year's Leipzig Spring Fair, joint projects for direct cooperation between enterprises of both countries in rationalization and reconstruction of machine building were discussed between the GDR and USSR at the ministerial level. Compare NEUES DEUTSCHLAND, 19 March 1986, p 4. At the 20th session of the standing work group for economic and scientific-technical GDR-USSR cooperation in the field of the electrical industry, among other things, joint work for the reconstruction of large enterprises was on the agenda. See NEUES DEUTSCHLAND, 20 May 1986, p 2) This is needed for the simple reason that in these sectors, having extensive fixed assets, intensively expanded reproduction requires also growing rationalization and reconstruction performances. But the determining factor is that the technical-technological level of these sectors is decisive for the development of the material-technical base of the entire economy. Cooperation must make an effective contribution to advance flexible automation through increased use of industrial robots, automated units, sections and systems of processing, and systems for computer-based production preparation--a task setting whose implementation is on the agenda in the GDR as well as the USSR. (Footnote 16) (Compare G. Proft, "Weitere Vertiefung der Zusammenarbeit der DDR mit der UdSSR bei der Modernisierung und Automatisierung in den Schlüsselszweigen der Volkswirtschaft" ["Further Deepening of GDR Cooperation with the USSR in Modernizing and Automating Key Industries of the Economy"], WIRTSCHAFTSWISSENSCHAFT, Vol 1/1986)

4. The resolutions of the 27th Party Congress of the CPSU on reconstruction of the entire economy, and for the accelerated reconstruction and development of machine building, in the long term will result in a great need for equipment in the USSR.

In the context of cooperation in rationalization and reconstruction, there will accrue a number of demands on profiling machine building in the GDR, and on the performance capability of the combines' own capacities for producing rationalization means. It must also be taken into account that, as a rule, the effective GDR export of intangible services will only be possible in combination with making available the respective equipment and rationalization means.

Preconditions for Further Deepening and Perfecting this Cooperation to be Purposefully Improved

The key question in the material-technical securing of projects is the availability of modern equipment. Solving this task will largely determine what effects a reconstruction project will have on the acceleration of scientific-technical progress and on increasing the effectiveness of production. Use of modern equipment and the application of progressive technological procedures decide not only the direct effectiveness of the production process, but also and above all, which products can be manufactured with what quality. With regard to standard equipment produced serially, many questions can be solved within the framework of the specialized mutual goods

exchange among CEMA member states. However, the situation is different with regard to process-specific special equipment and rationalization means. This technical process is created primarily in the enterprises' and combines' own production of rationalization means. The respective capacities vary greatly among CEMA member states and, in most cases, are not yet sufficiently developed. Even the relatively well-developed capacities for producing rationalization means in GDR combines, which realize about one-fourth of equipment investments in industry, are designed essentially for their own use. Through expansion of CEMA cooperation--and largely ensuring the fit of technical solutions--the number of applications, and thus the serial value even for specific rationalization means, can be increased.

Therefore it seems worthwhile to consider the requirement structure of CEMA partners in conceptualizing the tasks for the production departments of rationalization means in the enterprises and combines. In selected areas, there will also be specialization in the development and production of rationalization means within CEMA. Such specialization might follow structurally existing specialization lines for final products.

In connection with the further development of cooperation in rationalization and reconstruction, several demands will be placed on machine building. In general, it is first of all a question of expanding quantitatively and qualitatively the production and delivery of serially produced standard equipment and to develop further the required specialization of production and cooperation. With the growing significance of rationalization processes, one requirement gaining in importance consists in offering more technical equipment corresponding to user-specific and product-specific reconstruction needs.

Lastly, modernization of equipment delivered earlier is also becoming more important. Not utilized sufficiently in past cooperation, it is a way to materially secure the need for modern equipment arising from rationalization and reconstruction projects. Especially here, new and effective export lines are opening up for the GDR as major supplier of machinery and equipment to CEMA countries and, above all, the USSR. The 11th SED Party Congress clearly formulated these responsibilities: "As a decisive precondition for comprehensive intensification...equipment producers must develop scientific-technical solutions of multivalent use for the modernization of fixed assets and exports, and make available components and ancillary supplies determining standards." (Footnote 17) ("Direktive des XI. Parteitages der SED zum Fuenfjahrplan fuer die Entwicklung der Volkswirtschaft der DDR in den Jahren 1986 bis 1990" ["Directive by the 11th SED Party Congress for the 5-Year Plan for the Development of the Economy of the GDR during the Years 1986 to 1990"] Dietz Verlag, East Berlin 1986, p 68)

For the further development of cooperation in rationalization and reconstruction, and with regard to providing modern equipment and rationalization means, the following solutions particularly seem indicated:

- providing technical equipment by the machine building industry which satisfies the growing reconstruction needs of the users;
- further expansion of one's own production of rationalization means by the economic units, the concepts taking into account export possibilities;

- examining possibilities for serial production of rationalization means, either through expansion of capacities for producing rationalization means, or through use of machine building capacities not fully and effectively utilized;
- increased development of complex modernization solutions for earlier deliveries of equipment by the production means manufacturers, providing adaptation services and profile-determining modernization components;
- even greater utilization of international socialist division of labor in development, specialized and cooperative production, and mutual deliveries of rationalization means.

The further development of cooperation in rationalization and reconstruction places numerous demands on management, planning and economic accounting as well as the further shaping of the mechanism of cooperation. Only two aspects are to be mentioned out of the great number of related problems.

A decisive condition for the successful realization of respective projects has proven to be the timely and complete integration into the central state planning and accounting, and into coordination of the economic planning between countries and their long-term trade agreements. In past cooperation, the conclusion of government or ministerial agreements, respectively, has been useful in securing this integration.

It is also indispensable to create conditions of effective direct relations between the partners of such a cooperation. Processes which decisively influence the content of cooperation in rationalization and reconstruction, such as

- technical-economic comparison analyses,
- coordination of norms, standards and link-up values to secure a match of projects and products,
- the transfer of production experience and training of cadres,
- the exchange of samples, models and documentation,
- the exchange of basic and ancillary material for purposes of tests and production,
- production cooperation in components, individual and spare parts,

cannot be implemented without the development of constant direct relations between the cooperating economic units. All these processes, however, must be shaped on the basis of agreements and according to the principles of economic accounting. This includes clear-cut provisos on financing, transfer and use of scientific-technical results as well as agreement on sanctions in case of non-observance of obligations, and possibilities of incentives for surpassing the agreed-upon goals. (Footnote 18) (Compare H. Weiz, "Neue Dimensionen der sozialistischen oekonomischen Integration" ["New Dimensions of Socialist Economic Integration"], EINHEIT, Vol 4/5/1986, p 404)

The concept of further development of cooperation in rationalization and reconstruction should proceed from some basic criteria. Such cooperation seems necessary and meaningful especially when

- two or more partners in various CEMA member states are faced with the necessity of rationalizing similar production capacities and developing new scientific-technical solutions for this purpose,

--reconstruction of production capacities becomes necessary in the interest of maintaining or developing lines of product specialization,
--there is a need for progressive rationalization and reconstruction solutions on the one hand, and re-usable solutions exist on the other hand, and can be linked up in a way effective for all partners concerned,
--the structure and degree of full use of capacities needed for the preparation and implementation of rationalization and reconstruction projects complement each other among partners from various CEMA member states in such a way that preconditions exist for the material-technical securing of respective projects on the basis of an effective division of labor.

The further development and even more effective use of cooperation among CEMA member states in rationalization and reconstruction increasingly demands active offers by economic units for reconstruction services on the one hand, and their concrete proposals for the utilization of experiences and capacities of partners in CEMA member states for the implementation of their own planned reconstruction projects on the other hand. This requires further improvement in the material-technical preconditions and in planning and managerial conditions for effective and smooth cooperation, as well as greater inclusion of the possibilities of international socialist division of labor in conceptual considerations of investment preparation.

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FUTURE RAIL ELECTRIFICATION PLANS OUTLINED

East Berlin EISENBAHNPRAXIS in German Vol 30 No 5 1986 (signed to press 6 Aug 86) pp 166-168

[Article by graduate engineer, Dieter Haberkorn, Main Administration for the Operation of the Deutsche Reichsbahn (DR): "Efficient Use of the Electrified Network."]

[Text] At the end of 1985 of the 14,140 km of the DR network, some 2,205 km were electrified. That is a proportion of about 15.6 percent. Of the total train transport tonnage of all three types of traction at the end of 1985 some 34 percent was produced by electric traction. Since electrification is expensive, it is obvious that the electrified network must be used efficiently. Below the present situation is analyzed, problems are discussed and solutions are offered for the efficient utilization of the electrified network.

1. Economic Assignments

The directive of the 11th SED Congress for the 5-year plan for the development of the GDR economy from 1986 to 1990 specified that in this period about an additional 1,500 km of railroad main line will be electrified. The proportion of electric traction in train transport tonnage to total train transport tonnage of all types of traction will increase to about 60 percent by 1990. In order to achieve this high goal in this 5-year plan sector, the DR was already assigned for 1986 the highest increase in the improvement of the absolute tonnages of electric traction, compared with the previous year. Thus a proportion of 41.1 percent of electric traction in total traction tonnage is obtained. Compared with the highest rate of increase achieved until now in 1984, that means an increase of 155 percent. The tonnage development of electric traction in the 5-year plan section 1981 to 1985 was characterized by high rates of growth in the years until 1984. That refers both to the rates of growth from the new operations of the high density main lines and sections included, that is the extensive part of tonnage development, as well as the increase in tonnage from the more intensive utilization of the existing electrified networks. In the case of the rates of increase from

starting new lines, an increase in tonnage somewhat proportional to the increasingly electrified routes has been recorded, depending on the beginning dates in the individual years and determined by the operational importance of the respective newly inaugurated electrified sectors and stations.

In the more intensive utilization of the existing electrified network, from which about 30 percent of the total tonnage increase results, the most absolute increase occurred in the initial years 1981/1982. That was based on the excessive concentration of train transport tonnage on electrified sections, which was undertaken in those years for energy-political considerations. However, because of the limited section tonnages, this concentration could not continue in the same scope as of 1983, even in the electrified network. At the present time, line densities of more than 80 to 130 percent are recorded by sectors, which affects about 70 percent of the network's tonnage.

In 1985 with the highest increase in newly electrified sections until then, a decline of the increased tonnage of electric traction was recorded, compared with the previous year. The main causes for this development were:

In 1985 a definite delay of starting dates appeared in the last 2 months of the year, that is November and December, compared with previous years.

In 1985 it was necessary to conduct extensive construction work, even in the electrified network, to preserve efficiency and therefore to shift train transport tonnage using diesel traction.

As a result of the stock of electric locomotives which was not sufficient at all times, not all opportunities for hauling trains with electric locomotives still could be utilized in the 1985/86 transport plan.

2. Evaluation of Electrified Networks and the Utilization of Electric Traction Achieved

At the conclusion of 1986, 17.1 percent of the main networks of the DR will be electrified. Nevertheless differences will naturally be observed in the individual DR district administrations corresponding to their location in the network and their operational significance. At the same time, differences also appear for the individual DR administrative districts with respect to their share in the total tonnage of electric traction, which result both from their operational significance as well as the size of the respectively domiciled electric locomotives park (diagram 1).

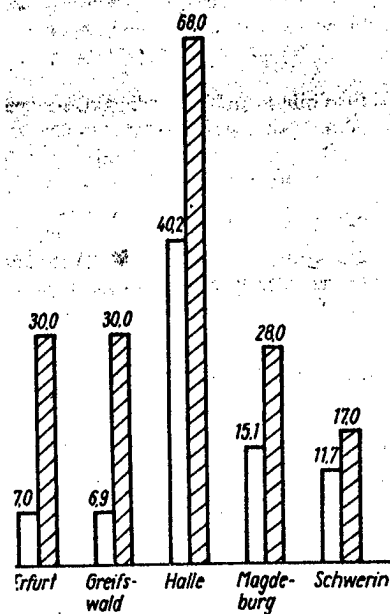


Diagram 1. Shares of DR administrative districts: First column in diagram = Share of the electrified line kilometers in the total line kilometers of the DR district concerned, second column in diagram: share of the train transport tonnage to be provided with electric traction in the total train transport tonnage of the DR district concerned (Plan, 30 June 1986)

Independently of the tonnage development of electric traction in the years 1981 to 1985 presented by way of introduction, a positive balance can be drawn up for total development as well as the development of the efficiency of the use of electric locomotives.

As already mentioned, in the selection of lines to be electrified, the economically important lines with the highest densities were mainly considered.

Subsequently there gradually emerged an extensive network, which made possible an improvement in the application of locomotive technology and also a more efficient utilization of the sections.

In the years 1980 to 1985 the utilization of the sections of the electrified network increased 15.7 percent, measured in train transport operation in million gross ton kilometers per 100 line kilometers and year. In the same years the specific locomotive use, measured in operating locomotives per 100 section kilometers, declined 5.1 percent. Decisive factors in this development were the maximum utilization of intermediate starting, even outside the internationally agreed schedule change dates, the inclusion of additional traction change stops in the case of passenger and freight trains, as well as the already known concentration of tonnage on the electrified network, whereby in the case of freight trains, a detour of a maximum of 20 percent was accepted.

In the development of the utilization of electric traction locomotives, which is measured by the efficiency coefficient "train transport operation per operational locomotive and day," it was possible to attain a rate of increase of 23.4 percent in the period 1980-1985. This development took place continuously without any intermediate decline. In this respect, the average daily run tonnage of the operational electric locomotive park as well as the capacity use of freight trains developed positively.

In the time utilization of electric locomotives in a 24-hour period, only a negligible increase of 2 percent was achieved in the period examined from 1980 to 1985.

On the other hand, the development was negative in the case of the unproductive L_z tonnages with an increase of the L_z kilometer per locomotive and year of 7.6 percent. However, it should be considered in this respect, that in the interest of a maximum use of the existing electric locomotives, a large number of changes also led to an increase of L_z tonnages.

However, it must be realized that this positive development does not take into consideration the demanding plan goals of 1986, as well as the following year.

3. Measures for Observing the Electric Traction Tonnages Established in the Economic Plan for 1986 and 1987.

As already described by way of introduction, the 1986 economic plan assigns a proportion of 41.1 percent of electric train transport tonnage in the total tonnage. In a draft of the tonnage plan for 1987, the increase of the share of electric traction to 43.6 percent is envisaged. The following increase in electrified lines is compared with these plan goals for the improvement of tonnage.

Year 1986

Inauguration of 1,000 kilometers of electrified lines since the X SED Party Congress on the occasion of the XI SED Party Congress in April 1986 in Bad Kleinen.

Opening of the Lutherstadt Wittenberg-Falkenberg (Elster) Line effective September 1986 with partial operation to Annaburg/Jessen as of May 1986 and to Fermerswalde in July 1986.

Starting of the Elsterwerda-Riesa, Falkenberg (Elster)-Riesa and Delitzsch-Ellenberg lines as of November or December 1986.

Year 1987

Beginning of the Wismar-Ludwigslust and Bad Kleinen-Ludwigslust lines as of March 1987.

Full utilization of the Rostock-Bad Kleinen lines effective March 1987.

Starting of the Falkenberg (Elster)-Senftenberg and Berlin Ostbahnhof-Berlin Rummelsberg/Berlin-Wuhleide lines in May 1987.

Putting into operation of the Berlin-Blankenberg--Bernau--Eberswalde and Berlin-Grunau--Halbe lines, as of September 1987.

Putting into operation of the Geestgottberg-Ludwigslust, Eberswalde-Angermunde/Stendell-Prenzlau and Ruhland-Knappenrode lines with the Brieske-Hohenbocka junction curve as of December 1987.

Based on the existing progress of the plan for 1986, it is absolutely necessary for the rest of the year and especially for 1987, besides the increase in electric traction train transport tonnage from the extensive expansion of the electrified network, to carry out a further drastic intensification in the existing network. If this goal is not made a reality, a higher use of Diesel fuel is necessary compared with the plan for both years, which, on the other hand, involves exceeding the planned operational costs in volume.

A number of measures have been stipulated to support the planned increase in train transport tonnage of electric traction. We must demand that their realization be carried out with greater consistency, to improve their effectiveness decisively.

1. In the DR central administration, on the basis of the plan section line electrification, which was compiled separately for the first time in 1986, a unified control system for the development of the share of electric traction and total train transport tonnage was approved and introduced. The emphasis is besides on the decades long accounting for the development of efficiency, on the basis of which concrete and purposeful assignments were

given in the sphere of the deputy of the DR general manager, in the field of the operational management and to the chairmen of the DR administrations. From a central viewpoint, it is also necessary that the decades long accounting for the development of efficiency be carried out in DR administrations more effectively than until now and be taken as a basis for currently influencing all local fields in increasing the tonnage share of electric traction. Altogether, the plan section "line electrification" is the personal responsibility of all leaders to be taken and used as an instrument for the control of planned tonnage and efficiency goals.

2. Already in February 1986 the minister's deputy and the first deputy of the DR general manager had instructed the chairmen of the Reichsbahn administrations, to organize permanent technology groups in all DR administrations and put them in a position to increase the technologically supported share of the tonnages of electric traction in total train transport tonnage. Besides the DR central administration guarantees that these technology groups will receive meaningful guidance by the allocation of concrete assignments, especially for the intensification coefficients to be achieved.

It must be realized that this assignment has only been gradually carried out in 1986. The organization of these technology groups took place only slowly and guidance was undertaken on a priority basis in the framework of planned service consultations or reports on the condition of schedule preparation.

In the case of the technological work for increasing electric traction's capacity share, it involves especially the following individual assignments:

Preparation for the maximum utilization of all planned sections to be put into operation. Besides depending on the increase in the line and the existing stock of electric locomotives, all the trains are to be incorporated into the transformer technology, which leads to the highest efficiency. In addition, it is to be investigated in every individual case, whether with the observance of the line density achieved, additional trains can be considered, if an increase of the technologically supported share of electric traction results from that.

Further increase of the proportion of locomotives engaged in long run technology observing the following principles:

In the fast passenger train network, up to a few technologically based exceptions (for example, peak handling) all trains are continuously hauled from the train start to the train end station. This technology has proved itself even with the inclusion of the expanded coupling of the locomotives by several railroad workshops.

In freight train service, in the evaluation of existing experience, continuous hauling is only used, if a high stability in holding trains, a high punctuality in operational performance as well as the firm coupling of the

locomotive is guaranteed. The relatively small stock of locomotives in the 250 series makes it besides necessary to use them only on lines where it is absolutely necessary from a traction standpoint.

Cooperation on operational technological research to determine the optimal share for the standby and special service in the respective operating locomotive park as well as the optimal measurement of locomotive turning times, taking into account operational conditions and the nature of the locomotive park.

Cooperation on the development of a special concept for increasing the highest speed of freight trains, even in domestic traffic, from 60 km/h to 80 km/h. As a starting point for that, both the requirements of the railroad installations as well as the conditions respecting the preparation of the necessary railroad current and braking technical conditions are to be considered.

Development of a program based on high density lines for the implementation of technical measures for reducing the numbers of trains by increasing train loads, by elimination of meter load restrictions, by reduction of L_z trips by additional sending along as L_{zo} , by reducing the B-network etc.

3. In order to insure the full technological efficiency of the most important main lines and sections, especially through the elimination of the deviations from the speed concept which have appeared, the corresponding purposeful programs have been developed. In their realization, it involves now and subsequently, insuring with a concentrated use of capacities the shortest construction periods, with the least interference with train operation. For this purpose, an intensified preparation of construction measures is to be guaranteed. Carrying out the construction plans is to be done on a headquarters basis, in which the aim is to be directed at the maximum use of the closing periods, at the implementation of effective technologies, as well as a high morale of the railroad construction workers involved.

A further assignment in this field consists in increasing the efficiency and usefulness of electrified main lines in that the system of complex long-range maintenance is to be improved, with the inclusion of technical diagnosis procedures. That applies to the track stability, testing rails and examination of the contact line.

4. The availability of the existing electric locomotive park is to be increased through a further reduction of the maintenance level. For this purpose all opportunities are to be investigated, to reduce idle time for planned and needed repairs in railroad workshops and locomotive-Raw.

5. For fully insuring the assignments allotted in 1986 and 1987 for increasing the share of electric traction in total tonnage, a broader inclusion of railroad workers in this process is indispensable. One of the main assignments for all leaders consists in informing the worker group about the goals for the respective field of work. In so doing, corresponding to the given

opportunities concrete assignments for socialist competition and performance comparison will be deduced. In the framework of the innovation movement, it will aim more intensively than in the past at increasing the share of electric traction. The point is, moreover, that methods which were proved in the past, "Gustrow Initiative" and "Cottbus Initiative. /Notes about the Plan" are so limited by the RB administration, that the activity of the railroad workers also is directed to these problems.

Concluding Remarks

As a result of the fulfillment of the train transport tonnage of electric traction technologically supported by the 1986/1987 transport plan, as well as a result of the implementation of the mentioned complex individual measures it is estimated that the ambitious plan goals in July 1986 and especially in 1987, which represent a genuine combat assignment can be achieved. In this respect, it must be assumed that all factors hindering the progress of the plan, such as accidents and damages as well as breakdowns with substantial operational effects and operationally necessary construction measures, which lead to power leaks from the electrified network, are being reduced extensively, even more intensively than until now. Management is to give special attention to this crucial point.

Political ideological influence is to be directed to encourage broad activity and initiative among all railroad workers, and draw them into the solution of the assignments given.

8490

CSO: 2300/61

BLOC MEETING ON THIRD WORLD SOLIDARITY OPENS

LD021329 Prague Domestic Service in Czech 1130 GMT 2 Dec 86

[Text] The 17th consultative conference of the socialist countries' Committees of Solidarity with the nations of Africa, Asia and Latin America opened in Prague today.

Chitta Biswas, deputy general secretary of the Afro-Asian Nations' Solidarity Organization, in his address of greetings paid tribute to the assistance provided by the socialist countries in particular to the national liberation movements. He declared that we have to dedicate all our efforts to the joint struggle for disarmament, for national independence, against American imperialism.

Vladimir Tolstikov, first deputy chairman of the Soviet Solidarity Committee, stressed the need for new political thinking in the attitude to the most burning problems of the present. He went on to say that the Solidarity Committees of the socialist countries face as the most important task the dissemination and more intensive publicity of experiences from the building of socialism and to provide an even greater moral and material assistance to the nations of Asia, Africa and Latin America in their struggle for freedom and independence.

7051

CSO: 2400/88

POLITICS

CZECHOSLOVAKIA

HUSAK, STROUGAL MEET IRAQI DEPUTY PREMIER

LD281941 Prague Domestic Service in Czech 1700 GMT 28 Nov 86

[Text] Gustav Husak, president of the republic, received Taha Yasin Ramadan, first deputy prime minister of the Republic of Iraq, who is in Czechoslovakia on an official visit, in Prague castle today. During a friendly conversation, both pointed to the rich tradition of relations between both countries and confirmed that they would work to deepen mutual relations and cooperation in all sectors of common interest. They noted with satisfaction that the CSSR and Iraq hold identical or close views on the most important international political issues. During the exchange of views on developments in the Middle East, the CSSR side singled out the urgent need to end the conflict between Iraq and Iran and resolve all contentious issues peacefully.

During today's talks between Lubomir Strougal, federal prime minister, and Taha Yasin Ramadan, both officials stressed that the fateful issue facing mankind is to prevent nuclear war, and the arms race, and create consistent conditions for the development of friendship and fruitful, peaceful cooperation between individual countries, regardless of their social systems. It was also stressed that it is in the interest of the people of Czechoslovakia and Iraq to vigorously seek further effective ways to intensify cooperation in politics, economy, science, technology, and culture.

7051

CSO: 2400/88

VASIL BILAK ASSESSES TALKS WITH FRENCH OFFICIALS

LD292250 Bratislava Domestic Service in Slovak 1730 GMT 29 Nov 86

[From the "Radio Newsreel" program presented by Michal Michalcik]

[Text] [Michalcik] Diplomatic, political and economic contacts between Czechoslovakia and France have a long-standing tradition. During the past few years we have been especially appreciative of Paris' efforts to pursue an independent foreign policy as well as of the French Government's independent attitude to developments in the Middle East and Latin America and its endeavour to intensify the process of detente on the continent of Europe. After all, it was former French President De Gaulle who was at the birth of the policy of detente in the mid-60's, a policy of relaxation and mutually advantageous cooperation which, 10 years later, culminated in the signing of the Final Act in Helsinki.

In the current aggravated international situation, especially following the experiences of the Stockholm conference and the Soviet-U.S. summit meeting in Iceland, the implementation of the Helsinki spirit is, one could say, one of the most important tasks facing governments and parliaments as well as various organizations regardless of their political orientation. The visit to France of our party delegation headed by Comrade Vasil Bilak, too, constituted an important contribution in this regard. After the visit ended, Vaclav Chadraba, our Paris correspondent, asked the head of our delegation to briefly assess the visit and the numerous talks the delegation had in France:

[Chadraba, in Czech] Comrade Secretary, you headed the CPCZ delegation in the talks with representatives of the French Communist Party. How do you assess the content of these talks?

[Bilak] We have had good discussions, especially with Comrade Marchais, general secretary of the French Communist Party, with whom I had an interesting discussion. We clarified many questions. Each party is facing different problems. We are tackling different problems. Our party is currently focusing its full attention on the implementation of the tasks set by the 17th Party congress, on speeding up the social and economic development of our society so that there will be better order, so that we can perform better, produce better quality goods, and create greater assets. They, on the other hand, have big problems with unemployment: There are more than 3 million

jobless people, which poses an enormous problem. This is something that we have forgotten about, and our youth have no experience with it at all; the unemployment in France is causing truly great problems. Nonetheless, we have had good discussions and we are very satisfied.

[Chadraba] In the course of the visit to France which lasted several days, the delegation met with officials of both the ruling political parties and the opposition. You had talks with Chaban Delmas, president of the National Assembly, and visited Marseilles and southern departments. What has characterized these talks and the visit?

[Bilak] It is no secret that our party and state policy are almost identical. Here, of course, the party is in a different position, but we also want to have good relations along the state line: We want to trade with each other; tackle many issues together. In particular there are the issues of peace and disarmament, which is what is worrying people the world over. It has been rightly stressed that we live in one enormous house--it is our enormous house--and that it is necessary to protect this house. My French partners were interested in discussing these issues, and therefore these discussions, whether they were conducted in the parliament or outside it, concerned these issues, which means cooperation between our two states and the defense of peace.

7051

CS0: 2400/88

POLITICS

CZECHOSLOVAKIA

DEFENSE MINISTERS MEETING BEGINS 1 DECEMBER

LD012150 Prague Domestic Service in Czech 2030 GMT 1 Dec 86

[Text] Poland--The session of the Defense Ministers committee of the Warsaw Pact member-states, chaired by Polish Minister of National Defense Army General Florian Siwicki, started in Warsaw today.

Present at the session are the delegations of fraternal socialist armies headed by Bulgarian Minister of National Defense Army General Kilan Vachlavik, Hungarian Minister of Defense Lieutenant General Ferenc Karpati, Minister of National Defense of the GDR Army General Heinz Kessler, Rumanian Minister of National Defense Colonel General Vasile Milea, and Soviet Minister of Defense Marshal of the Soviet Union Sergey Sokolov; and a delegation of the command of the allied armed forces of the Warsaw Pact member-states led by its commander-in-chief, Marshal of the Soviet Union Viktor Kulikov, and the chief of staff, Army General Anatoliy Gribkov.

7051

CSO: 2400/88

OFFICIAL ON CRIME RATE, PLANNED LEGISLATION

AU290548 Prague RUDE PRAVO in Czech 25 Nov 86 p 3

[Interview given by Jaroslav Krupauer, prosecutor general of the Czech Socialist Republic, to Karel Walter: "Laws Protect Each of Us"--date and place of interview not specified]

[Excerpts] [Walter] The crime rate is stagnating. Can we be satisfied with this situation?

[Krupauer] There are people who regard this situation as favorable and who refer to the growing crime rate in some capitalist countries. I think that there is no ground for satisfaction. On the contrary, this stagnation is, in fact, a negative phenomenon. We are not succeeding in implementing the long-term target of the socialist society--to continuously subdue and limit criminality.

[Walter] What alarms you most of all?

[Krupauer] The high occurrence of assaults on the socialist economy, especially of thefts of property in socialist ownership, and the growing incidence of such acts perpetrated in groups. The resulting material damage is growing as well. We also regard as serious the number of apartment burglaries and thefts directed against the personal and private property of citizens. There is also an increase in deliberate, grievous cases of bodily harm, robberies, and rapes, although this increase is not large. The absolute figures for this category of crime are not large, but it is necessary to see the increasing brutality, lack of scruples, and indifference toward the basic values that our laws protect.

We are asking ourselves, for example, whether it would not be necessary to make some sanctions more rigid in the interest of enhancing society's protection. The proposals that are being drawn up provide for a more rigid punishment of precisely those categories of punishable offenses that I have mentioned.

[Walter] Sometimes one can hear calls for capital punishment, according to the principle an eye for an eye and a tooth for a tooth. When is this punishment used in our country?

[Krupauer] Capital punishment is an exceptional form of punishment in our legislation. In practice of the courts it is applied only in cases of brutal murders committed by exceptionally cruel means, when any other form of society's influence on the incorrigible offender would be a wasted effort and when society's protection requires such an extraordinary, truly exceptional punishment. The doctrine of revenge that you have mentioned in your question has no place in our society, which professes the principles of socialist humanism.

[Walter] Among those who come into conflict with the law [are] also young people? What is their share in criminal activity?

[Krupauer] In the Czech Socialist Republic, it is 45,000 young people up to 30 years of age annually, plus an additional 5,000 to 6,000 children who are not of responsible age. These figures are not large if we consider total numbers in this age group. What worries us, however, is that these people have grown up in and were reared by the socialist society.

[Walter] Some features of juvenile delinquency are startling by their lack of scruples, cruelty, and sometimes also by antisocialist expressions. Where are their roots?

[Krupauer] A rather important role is played by the influence on young people of adults from the ranks of deeply disturbed antisocial elements. Alarming is the passivity and indifference with which the surroundings of juvenile delinquents react to such phenomena--teachers, educators, fellow students, older colleagues, to say nothing of parents who usually indiscriminately defend their children and try to present even grave offenses such as torment or the propagation of fascism as innocent children's games.

[Walter] What about the influence of intoxication?

[Krupauer] From the viewpoint of the causes of criminal acts, intoxication by alcohol, which affects both adults and juveniles, continues to be decisive. In terms of statistics, nonalcoholic intoxication thus far has been negligible as a cause of criminal activity. The number of persons prosecuted each year for drug-related charges does not exceed a few hundred. In amending the legal code, certain additions are being considered that would lead on a greater scale to the punishment of persons who induce juveniles to use narcotic substances. Hand in hand with this, it is necessary to establish conditions for timely treatment and social condemnation and for outlawing the uncontrolled use of any sort of narcotic substances.

[Walter] Honest working citizens are outraged at the illegitimate income of some of our fellow citizens. They point out that these citizens do not have to provide any explanation as to the ways by which their disproportionate amount of property is acquired.

[Krupauer] I agree that the income situation of some individuals is at sharp variance with the social importance and quantity of their work. The socialist society must come to terms with this problem. So far, we have been approaching this problem by making use of the means provided by our legislation.

Surely, it is possible to consider other solutions. We are familiar, for example, with the measures of Soviet authorities, which include the obligation to furnish evidence of one's earnings when purchasing expensive articles or real estate exceeding a certain value. Probably, only experience gathered over a longer period of time will make it possible to assess the effectiveness of these measures.

[Walter] According to one view, the fight against bribery will be half-hearted as long as current legislation remains in force, that is, as long as the one who offers and pays a bribe remains liable to punishment. [Sentence as published] What is your opinion?

[Krupauer] I do not subscribe to this view. It is immoral and reprehensible not only to take, or even demand, bribes, but also to offer them. From this proceeds also our criminal law, although it provides for a more severe punishment of those who receive or demand bribes.

[Walter] Are the sentences for bribery sufficiently severe?

[Krupauer] Making them more severe is one of the current suggestions for amending the penal code.

[Walter] Readers sometimes voice doubts as to whether the laws really apply to everyone. They point out--but, deplorably, only rarely in a specific way--that if economic or other functionaries make themselves guilty of punishable activity, prosecution against them is not carried out consistently. Is this true?

[Krupauer] It is popular to claim that we manage to sentence a worker for the theft of a sack of cement, but not a director for large-scale larceny. It is true that it is easier to expose and prove a small offense than artful thievery committed by a manager who abuses his rank and expertise. But even the punishment of these people is nothing unusual, as is shown, for example, by articles appearing in RUDE PRAVO.

[Walter] The prosecuting agencies are, naturally, exposed to all kinds of influences, local and personal ones, in making their decisions. How do they resist them?

[Krupauer] Sometimes there occur attempts to influence our steps and measures, especially with regard to the drawing of penal responsibility and property or disciplinary responsibility as well. However, the prosecution is independent of all local authorities and is obliged to draw conclusions against everyone who violates the law, regardless of who he is. Whenever such attempts at interference in proceedings occur, from whichever side, the prosecutor reports this or hands over the case to the supraordinated office of prosecution.

[Walter] Has something of this sort happened to you personally?

[Krupauer] It has happened to me and, apparently, to everyone working in this field. There is nothing evil about turning to us to inquire about the state of affairs with regard to one case or another. However, it is always necessary to retain a sense of justice, not to budge to any wishes, which do not even have to be explicitly expressed, and to decide solely and exclusively in the interest of the socialist society.

7051

CS0: 2400/88

CPCZ, PCF TALKS TERMED 'COMRADELY, CORDIAL'

AU290501 Bratislava PRAVDA in Slovak 26 Nov 86 p 1

[CTK Paris dispatch: "Useful Development of Relations"]

[Excerpt] Paris (CTK)--A CPCZ delegation led by Vasil Bilak, member of the Presidium and secretary of the CPCZ Central Committee, continued its official visit to France yesterday. The visit is being made at the invitation of the PCF.

The talks between the two parties opened in the morning. On behalf of the CPCZ, the talks were attended, aside from Vasil Bilak, by Vladimir Herman, candidate member of the CPCZ Central Committee Presidium and leading secretary of the South Moravia CPCZ Regional Committee, and Michal Stefanak, head of the CPCZ Central Committee International Affairs Department, who are members of the CPCZ delegation. The delegation was accompanied by Mecislav Jablonsky, CSSR ambassador to France. In the PCF headquarters, the Czechoslovak guests were cordially greeted by Maxime Gremetz, member of the Politburo and secretary of the PCF Central Committee; Pierrette Joachim, member of the PCF Central Committee; and other party representatives.

Vasil Bilak and Maxime Gremetz exchanged information on the implementation of the conclusions of the 17th CPCZ Congress and the 25th PCF Congress and discussed the possibilities of further cooperation between the two fraternal parties. The talks, held in a comradely and cordial atmosphere, will continue today.

7051

CSO: 2400/88

CARDINAL TOMASEK ATTENDS PEACE MEETING

AU290546 Prague RUDE PRAVO in Czech 27 Nov 86 p 2

[CTK report: "Support for Peace Efforts"]

[Text] Prague (CTK)--A session of the Committee of Church and Religious Officials in the CSSR, which was held in the Palace of Culture in Prague on Wednesday [26 November], assessed the activity of believers and churches in this year's International Year of Peace proclaimed by the United Nations.

Cardinal Tomasek and Metropolitan Dorotej briefed the participants on the course of the day of prayers for peace held in Assisi, Italy. A distinguished foreign guest, Filaret, the metropolitan of Minsk and Belorussia, conveyed greetings to the participants and provided information on the activity of the commission of the Soviet Committee of the Defenders of Peace for liaison with foreign church circles waging a struggle for peace. The participants in the session paid high tribute to the active peace policy of the socialist countries and the Soviet Union in particular. In this connection they stated that despite these peace efforts, the international situation has not improved in any dramatic way, primarily through the fault of the militaristic policy of the U.S. military-industrial complex.

The representatives of churches and religious societies present then spoke about the part of Czechoslovak churches in the World Congress of Peace Forces in Copenhagen, a session of the World Peace Council authorities on the problems of peace, the work of the Christian Peace Conference, and other activities of Christian churches aimed at alleviating international tension and removing the threat of war. They expressed the conviction that believers will continue to strive for the preservation of a life in peace on Earth.

7051

CSO: 2400/88

CSSR-POLISH ROW OVER RIVER POLLUTION NOTED

AU011456 Prague RUDE PRAVO in Czech 28 Nov 86 p 7

[Article by Pavol Minarik, correspondent in Warsaw: "On the Polish Side of the Odra; the Battle Against Mazut from Ostrava Continues"]

[Text] Salvage work connected with the recovery of mazut that made its way to the Polish side of the Odra River from rivers in North Moravia has reached its peak these days. On a 50 km section of the river, special rescue squads and members of the Polish People's Army erected a total of 11 dams, which intercept lumps of mazut carried by the current and the oil film on the water surface.

The main surge of mazut stopped a few days ago. All that flows on the Odra now are dirty spots and remnants of mazut that got caught in shallow places or small sheltered inlets.

In Raciborz near the Czechoslovak border is the headquarters of the staff that coordinates the salvage operation. Its activity is steered by Jerzy Ludwiczak, plenipotentiary of the Polish Government charged with eliminating the consequences of natural catastrophes. Tuesday [25 November] morning he briefed the correspondents of RUDE PRAVO and Czechoslovak Television on the course of salvage work on the Polish side of the river. He said that up to that day fire brigades, civil defense units, soldiers, scouts, and volunteers recovered from the Polish side of the Odra more than 160 metric tons of mazut. We were unable to verify to what extent this figure, which differs from the data published in the Czechoslovak press [according to the final report of the inquiry commission, published by RUDE PRAVO on 18 November, an estimated 20 metric tons of mazut were emptied into the river, the "greater part" of which was intercepted on CSSR territory], corresponds to reality. However, it has been repeatedly cited by the Polish authorities (Government Spokesman J. Urban spoke of 150 metric tons).

J. Ludwiczak spoke about the commitment of all salvage operation participants, whose selflessness prevented even greater damage. Hundreds of people were recovering the mazut from the river, mostly by hand, day and night. Otherwise, the mazut might have drifted to the conduit of food processing enterprises or, in the event of a rising level of the Odra, to the surrounding fields and meadows.

For the future, J. Ludwiczak went on to say, we have to establish the principles of Czechoslovak-Polish cooperation in coping with such critical situations. Such accidents can happen. What we want is information in a timely fashion, accurate warning, and cooperation in employing all available means, especially in border areas.

Near Raciborz we stopped at two dams. They were manned by members of the Polish Army. Wearing rubber shoes reaching up to their waists, they were standing on the side of the river and filling the mazut mass intercepted by the dams into buckets. We were told that the situation has greatly improved in the last few days and that "if all goes well, the whole operation will be over in a few days."

The whole incident connected with the emptying of mazut into the Odra has caused great concern in Poland. The daily press carried regular reports on the salvage work. Dissatisfaction was being voiced with the cooperation of the Czechoslovak side in eliminating the consequences of the damage and with incomplete information on the causes of the accident or on the amount of mazut involved. The weekly POLITYKA wrote in its latest issue about the "dilatoriness of the staff of the state inspectorate for water management in Ostrava." This criticism applied to the first stage of the critical situation on the Odra--up to 15 November. However, according to J. Ludwiczak, the situation in the area of cooperation and contacts in eliminating the damage has not improved even after that date.

"The Odra has long been a dirty river. It has no trout or other fish, and you do not see flocks of birds above it. It will not be able to cope on its own with the tons of mazut that has flown into it in the past few days. It needs help and we need to learn from this case for the future," TRYBUNA ROBOTNICZA, a Katowice paper, wrote. "And when the danger to the Odra has been warded off completely, the time will surely come to resolve all the incongruities that have emerged."

7051

CSO: 2400/88

ACCELERATED DEVELOPMENT OF SOCIALISM NEEDED

AU302037 Bratislava SUNDAY PRAVDA in Slovak 21 Nov 86 pl

[Excerpts] When he spoke, one could hear a pin drop--no empty phrases, no large, bombastic words which perhaps resound in one's ears for a moment, but which lack the power to fill a person's soul with warmth and human kindness. Such was the man who became CPCZ Central Committee General Secretary in February 1929, when he was less than 30 years old. The man did not cease to be human even in the maelstrom of the most complicated political events--the man who emerged from the people and who defended their interests, needs, goals, and their present and their future, always and everywhere. When important party documents and declarations were being prepared, all his fellow workers could never be sure that particularly at that time they would not hear an acid remark telling them: "What a terrible way to write you have, boys. I will not have you write such Chinese, stop it. You are writing for the people..."

From the legacy left us by progressive personalities, we primarily select things which sound urgent and topical today, this very moment. And the reader can himself judge whether we do not hear more than enough such "Chinese"--such unclear, breakneck, frequently even contradictory exercises in rhetoric--in various forums today. On the one hand, we hear, for instance, that our economy is developing far more smoothly and favorably than it did in the past period, according to plan and, essentially, with success. But immediately after that we hear that our inventories are growing, that the number of enterprises which are not fulfilling their plans is increasing, that our export effectiveness is dropping....

It is easy to imagine what Gottwald would do, were he to read or hear some such statement, one which makes things even more complicated than they are. He would probably start shifting his pipe from one corner of his mouth to the other, faster and faster (this was a sure sign of his growing anger), and then he would very quietly send the writer or speaker to burning hell. Because surely it is impossible to prepare for the future realistically without a frank, basic evaluation of the past! It is quite impossible to say "b" without first saying "a." And Gottwald knew this, and acted accordingly. True, this obviously demanded a lot of personal courage.

The people have always appraised both political parties and politicians according to the way they satisfy the people's interests and needs, according to how they enable the people to develop creativity and initiative and to live a peaceful and orderly life. The people will obviously continue doing this in the future. And that is why we recall Gottwald's words that one can win political power and establish the dictatorship of the proletariat only by fighting for the people's everyday interests.

In his well-known May letter of 1925, Gottwald wrote: "Bolshevization is not a single act in the party's development--Bolshevization is a continuous process in the party's development, one that never ends and is never completed, in the same way that the development of society is continuous and never completed. What one should take over from the Russian example for one's own use is the way in which the Bolsheviks, headed by Lenin, used to resolve all problems of the day."

More than 60 years have passed since Gottwald formulated these ideas--60 years, almost an entire human life. But it is particularly this legacy of his that is more alive than ever. Although today it should run as follows: What we should take from the Russian example for our own use is the way in which Soviet Communists, headed by Mikhail Gorbachev, are resolving all problems of the day--from the development of socialist democracy and the radical changes in economy and in cadre work, and up to their increased attention to social issues, to culture, science, and arts.

If the Gottwald traditions are not to remain merely a historical phenomenon, then it is far from enough to merely follow this process. Far from enough. The times urgently demand an [word indistinct, possibly acceleration] of this process in our country, too.

7051

CSO: 2400/88

EDITORIAL ON 'RESTRUCTURING' PARTY WORK, PART I

AU281119 Bratislava PRAVDA in Slovak 17 Nov 86 p 1

["First part" of editorial: "Restructuring Party Work"]

[Text] Both the 17th CPCZ Congress and the 27th CPSU Congress have formulated a magnificent task, a task of historical significance for the further dynamic development of the socialist society: the strategy of accelerating socioeconomic development. Developing this task and fulfilling it means working in a new way in all spheres of political, economic, and ideological life. The tasks following from this must be understood in their entire revolutionary significance, as the main battlefield where the further successes of socialism will be decided. The fulfillment of these tasks affects both production and the superstructure, the work of the party, the socialist state, economic agencies, the trade union movement, the entire National Front, national committees, and all the citizens of our socialist fatherland.

In connection with the development and realization of the strategy of acceleration, certain new terms have appeared in statements by Comrade Gorbachev and other Soviet representatives, terms that express the transformations and deep processes that are essential for this strategy. Let's mention at least three of these terms: radical reform, perestroyka and glasnost [last two terms rendered in Russian transliteration]. For two of these terms there is no adequate expression in the Slovak language.

We translate perestroyka as restructuring, or reshaping, and some people interpret it as a change in the style of work. Glasnost we render as openness, providing the public with extensive facts, or the public discussion of affairs.

In his speech in Khabarovsk Comrade Gorbachev said: "The current restructuring encompasses not only the economy, but also all other aspects of the life of society: social relations, the political system, the spiritual-ideological system, the style and methods of work by our party and all our nations. Restructuring is a word with a broad content. I would place the equal sign between the terms restructuring and revolution."

Restructuring truly represents a revolution in the entire system of relations in society, in the people's way of thinking and feeling, in the psychology

and understanding of the current production phase and, above all, of the tasks raised by the rapid scientific-technical progress. From the very beginning, restructuring followed Lenin's words as its motto: "Live creative activity of the masses." Actually it is a creative activity, the creation of new and more perfect things, everywhere and in all spheres--in the production forces, in the base, in politics, in social life, in social awareness, in morality. Restructuring does not develop automatically. Insofar as we follow Lenin's doctrine, the sum total of objective changes must be based on the maturity [zrelost] of the subjective factor. It is only if there is harmony between objective conditions and subjective factors that the success of the revolution can be ensured. It is no coincidence that Comrade Gorbachev declared: "...we all must reorient ourselves, really every one of us. I would even say everybody from worker to minister, to Central Committee Secretary, to leading government representatives. We all must make the new approaches our own and we must grasp that there is no other way."

Above all, it is the duty of our party functionaries and the party aktiv to stimulate new ideas, work out new approaches, and stand at the head of the fight waged by all the people to realize the resolutions of the 17th CPCZ Congress. They are the commissars of the present phase of the struggle to speed up socioeconomic development, and to bring about the progress of socialism in general.

Those of them who continue to adhere to the obsolete style and methods of work must be seriously advised and warned by us that they have let themselves become overgrown by a "layer of shells"; and if our criticism falls on deaf ears, and the person in question proves to be stubborn and obstinate and cannot either be moved or dragged out of the trench of yesterday's notions and procedures, then one must take leave of him; let him continue to sit and dream in his trench, let him cover his head and back--he will remain isolated, since the country will continue to march forward.

The strategy of acceleration unconditionally demands that the style and methods of party work also be restructured. This requirement is causing perplexity among a part of our party functionaries. It makes them nervous and also produces among them a certain lack of understanding.

Just to make things clearly understood: nobody wants to change anything in the axiom expressed in the CPCZ Statutes amended as approved by the 17th CPCZ Congress; nobody must change anything in it. It says: "Ideological and organizational unity and the action cohesion of its ranks are the inviolable foundation of the party's life, structure, and all its activity. The party bases its work on consistent adherence to Leninist norms of party life, the principles of democratic centralism, collective leadership, criticism and selfcriticism, the comprehensive development of intraparty democracy, the communists' creative activity, and on an extensive supply of information to the population (in other words on glasnost--RUDE PRAVO editor's note), as well as on winning the population for the realization of the party's policy."

These are the Leninist norms and principles of the party, in which not a single letter must be changed. But what must be changed, and unconditionally so, is the style and methods of party work, which are vitally affected by the restructuring.

We must remind ourselves again and again that it is an unchangeable principle that party agencies and organizations must not, and cannot, replace economic agencies, take over their responsibilities, or resolve economic issues instead of the institutions that are responsible for the issues in question, thus weakening their authority. As a rule, such erroneous activity has a detrimental effect on the care devoted to party organizations, committees, or party groups, and to working collectives and cadres in general. Obviously it would be useful to recall the idea voiced at the CPCZ Central Committee session in November 1974: "Any replacement of state and economic agencies or social organizations, any assumption of their decision-making powers inevitably generates alibiism and irresponsibility; it leads to opportunism in practice and weakens the initiative of the leading staff. On the other hand, the party's leading role and authority is consequently weakened, because political-organizational and educational work is neglected and replaced by administration. The party cannot afford this...."

The specific economic and political situation in which we are now living requires every party agency and organization to have a creative approach, a spirit of innovation, and the ability to break obsolete and outdated ideas. They must skillfully correct these ideas, or change them fundamentally; and--on the basis of the changed conditions--they must find and implement a more responsible style, forms, and methods of work, both as a whole, and with each individual functionary.

In improving the style of our work we must emphasize the main thing: training people to accept personal responsibility and all types of discipline. Justice, modesty, respect for man, moral integrity, an exacting attitude, the quality of not ever being satisfied with what we have already achieved or with oneself--it is this that runs like a red thread through the work of party agencies and organizations. Unity of word and deed, this criterion of a communists' political honor, is just as essential.

The style of work must be permeated by unassumed respect for the working people and for their views, by closeness, to them without insincerity. Dispensing smiles, shaking hands left and right, calling people Joe or Pete--patting people on the back--all that is a cheap approach....

When we speak about the style of work, is it not often the case that words, and the subjective notion about a critically exacting attitude, are a cloak for an undemanding attitude, a mere wishful thinking? The purpose and essence of a critically demanding attitude cannot float on a wave of subjectivism; in asserting it one must not use different and varying criteria. Both the terms itself, and the realization of its substance and contents, not only have their own internal, objective dimensions, but also the same kind of principles and tenets.

What is the objective criterion here?

Mere words, their accumulation, an endless, boundless ocean of empty words or promises? Or practical results, and that alone? The answer is clear and unequivocal: the sole criterion is the share of an individual, of a collective in the acceleration of socioeconomic development, in intensification, in scientific-technical development, in socialist economic integration, in the development of initiative and activity among the working people. All the things that hampers them, or stand in their way--such as formalism, bureaucracy, self-indulgence, pragmatism, ossification, schematism, and so forth--are a phenomenon, or manifestation marked by the absence of a critically exacting attitude.

Wherever there is a lack of a critically exacting attitude, wherever comradely criticism is a white crow, and the party analysis of an actual situation and state of affairs is replaced by phrase mongering about successes, wherever a party agency or organization or else individual communists deform the party's leading role and kill the right of inspection, wherever the atmosphere of self-gratification, absolute power, and impunity reigns, all this sooner or later leads to most serious consequences. Such is inexorable logic.

The party is the society's political and moral vanguard. The main "subject" of party work are the people; the main factor of restructuring is the human factor. That is why organizational and upbringing activity must be built up and developed in a way that is not concerned with the submitting of reports, but focuses on developing the people's activity, on satisfying their needs. The social and political effect of all that is done in society and the working collectives must be at the center of the party agencies' and party organizations' attention.

7051

CSO: 2400/88

ART MUST DEPICT SOCIALIST REALITY

AU031452 Prague RUDE PRAVO in Czech 28 Nov 86 p 1

[Editorial: "Responsibility of Arts Criticism"]

[Text] The healthy development of society and the atmosphere needed to uncover shortcomings and mobilize forces to overcome those shortcomings are inconceivable without a critical and self-critical approach to what is happening around us, and to the fulfillment of tasks with which our party's 17th congress confronted us. We realize that wherever criticism and self-criticism peter out, wherever such an approach is replaced by rhetorics about successes and an atmosphere of self-satisfaction sets in our life is deformed. Criticism is the moving force that helps us to avoid future mistakes and separate the wheat from the chaff.

What is true of criticism in general also applies to arts criticism, which has the same goals, goals which it nevertheless does not always achieve. The good experience acquired in the workshops of Marxist critics, their approach to works of art, their uncovering of shortcomings and emphasis on positive aspects, have all been proved right even several decades later. To this very day this is testified to by the books or reviews written by Bedrich Vaclavek, Kurt Konrad, Julius Fucik, Zdenek Nejedly, and others. Thanks to them and their influence, many a giant of our culture has been able to cast off the influence of fashionable, decadent trends or trends leading nowhere, and to create masterpieces which are and will continue to be part of our cultural treasury.

At the 17th congress of our party it was said that arts criticism must influence the arts far more effectively than it had done to date. And it has also been frequently repeated in various forums that this criticism must part ways with what is habitually routine and with easy-going and objectivist descriptiveness and cease to be a mere report on art. It must start adopting critical approaches, as befits a real instrument of party influence whose mission it is to confront the work of art with the goals of society and the truth of life. These goals and this truth must become part of the arts.

Although we can assess the standard of our culture and arts positively on the whole, we are aware of a number of weak spots, and sometimes even alarming phenomena, in this sphere. That is why one must fight them--and not support

things that spoil the people's good taste, particularly the good taste of young people, or lead millions of readers, viewers, visitors at exhibitions, listeners, and in fact every one of us astray. In today's world art has an impact on even the remotest cottage in our fatherland; and there, perhaps more than anywhere else, it influences the way of life and the people's thoughts. It is therefore the task of criticism to uncover these negative phenomena and these weaknesses and to help us to discern them and overcome or remove them.

Under socialism the mission of culture is to serve the people's interests. In other words, works of art must depict socialist reality truthfully and in a most artistic manner. In the spirit of the creative method of socialist realism they must show our citizens' determination to cope with tasks and to overcome obstacles on the road of further building our society. They must help us uncover all our latent reserves, and, by using their own specific methods, they must be capable of filling the man of today with enthusiasm for a yet more active effort, inspiring him to new feats.

Toothless reports on new works, general and unspecific criticism, the avoidance of sensitive topics, silence on certain names or artistic trends--all this leads to a situation in which it is possible for still more trite works to appear, works that do not have an adequate social impact and are frequently professionally weak, works that are not exciting nor which even lead a considerable number of other works of art astray. This was also happening until quite recently in the sphere of light music. Because of "tolerant" criticism, which took note only of so-called professional performance standards, and because of a lack of analytical reviews, certain ensembles and individuals were able to push their way to the stage with products that reflect adversely on the good name of our music. On the other hand, many others were deprived of the opportunity to fully present their talent because of a certain lack of clear views and criteria, even though their performance was firmly rooted in our present reality.

However, it is not merely a matter of professional criticism. In uncovering shortcomings in works of art, one must also make use of our fellow citizens' ability and knowledge. Their views, often expressed in readers' letters and by means of their participation or nonparticipation in artistic performances, or their interest--or lack of it--in a work of art, are not being sufficiently borne in mind by creative artists and organisers of cultural events, who do not always consider them instructive. One should certainly beware of succumbing to the fashion of the day, since this can affect the writers' and consumers' way of thinking; but one should also beware of ignoring this significant factor, which indicates the direction in which we should aim our effort.

The party does not prescribe the forms, methods, or topics of works of art; but it cannot, and will not, support anything that spoils the people's good taste, distracts them from the tasks facing them, and hampers the healthy development of society. The congress discussions also emphasized the responsibility of communists in the unions of creative artists and in publishing houses, in television and radio, and in the communications media, among

the organizers of various cultural events, in theaters and film studios --but also the responsibility of arts criticism--for influencing works of art more effectively, in accordance with the party's policy and the basic values of socialism.

It is true that we shall have to think about enhancing the training of critics and promoting their further education and about training experts in the theory of arts. We shall also have to think about the sometimes low standard of professional orientation of experts, who are frequently equipped with only an inadequate ability to express their views comprehensively. This must be combined with the gradual ensurance of the techniques necessary for creative, really all-encompassing (and not subjectivist) attitudes. We need to know more about the works of foreign artists, particularly those in socialist states. We must organize seminars and conferences of critics from these countries--they are essential both for unifying the criteria and mutual knowledge, and for the closeness and mutual enrichment of the cultures of the socialist countries and progressive trends in the world in the fight for peace and understanding among nations.

We know that we have considerable opportunities in the sphere of arts criticism that are not being fully utilized. However, even here we will not get rid of shortcomings without critical analysis. This is the first and foremost lesson to be learnt from our experience to date, as has been stressed again and again on various occasions by the representatives of our party. True, this approach must not be defamatory or denigrate true values; nor must it react irritably or excessively to each and every critical statement.

Thus we have a lot to think about in this sphere. But we know what we want, and how we want to achieve it. That is why the development of Marxist criticism is one of the ways which will help us accomplish the tasks delegated to culture and arts by our 17th congress.

7051

CSO: 2400/88

BRIEFS

CEMA SESSION ENDS--Prague--The Prague session of the branch bureau for medical technology attached to the CEMA Committee for Cooperation in Engineering, attended by 63 representatives from Bulgaria, the CSSR, Hungary, the GDR, Poland, Cuba, Romania, the USSR, and Yugoslavia, ended with the signing of the protocol on 13 November. The session was aimed at eliminating undesirable duplication in the development and production of instruments and at cutting down or stopping imports of this technology from the capitalist states. Specialization in producing individual apparatuses is being dropped in favor of producing modules and components (assembled together by the final producer), and forces and means are merged to ensure the production of spare parts and also joint servicing. The branch bureau is chaired by Milan Kubat, CSSR Ministry of Electrotechnics Industry. [Summary] [Prague RUDE PRAVO in Czech 14 Nov 86 p 1 AU] /7051

WATER ECONOMY CONFERENCE ENDS--An international conference on the further course of scientific-technical development in the CSSR water economy ended in Bratislava on 6 November. Participants from the CSSR, Hungary, the GDR, Poland, and the USSR discussed supplying the population with drinking water, expanding water resources, and protecting them from pollution. [Summary] [Prague RUDE PRAVO in Czech 7 Nov 86 p 2 AU] /7051

PETROLEUM CONFERENCE--The 31st international conference "on petroleum," which began in Bratislava on 12 November, is attended by some 180 experts from, among others, Poland, Hungary, the GDR, and the CSSR. The participants will discuss the most modern petroleum processing methods for 3 days. [Summary] [Bratislava PRAVDA in Slovak 13 Nov 86 p 2 AU] /7051

CSO: 2400/88

FRG SCHOLAR VIEWS POTENTIAL BRAKE ON ECONOMIC REFORM

Stuttgart OSTEUROPA in German Vol 36 No 10, Oct 86 pp 864-877

[Article by Dr Balint Balla, professor of sociology at the Technical University of Berlin: "A Sociological View of Obstacles on the Road of Hungarian Economic Reform"]

[Text] Note: Sources and bibliographic references are cited in abbreviated fashion in the body of the present article and refer to the listing at the conclusion of the article itself. Books are identified by the letter "B" in brackets. Newspaper and magazine/article references also appear in brackets, listing the abbreviated title of the publication as follows: A Oec=ACTA OECONOMICA, Budapest; BR=BUDAPEST REVIEW; FAZ=FRANKFURTER ALL-GEMEINE ZEITUNG; KG=KUELGAZDASAG, Budapest; K Sz=KOSGAZDASAGI SZEMLE, Budapest; MF=MAGYAR FUZETEK, Paris; MH=MAGYAR HIREK, Budapest; MV=MOZGO VILAG, Budapest; N=NEMZETOR, Munich; NSz=NEPSZABADSAG, Budapest; PE=PARTELET, Budapest; Sz=SZOCIOLOGIA, Budapest; TSz=TARSADALMI SZEMLE, Budapest; V=VALOSAG, Budapest; ZS=ZEITSCHRIFT FUER SOZIOLOGIE [Journal of Sociology], Bielefeld.

For decades, a process has been underway in Hungary which has gone by the official designation of "reform of the economic mechanism," economic reform" and the like. Certain aspects of this process are known in the West on the basis of personal experience (e.g. business trips and tourism) and of media coverage. Naturally enough, scholarly debate relating to this process is primarily confined to the academic community. Despite the language barrier, the debate has managed to provide some information on the writings of an entire generation of so-called economic reformers who are doing generally notable work and in specific instances even works of genius and great courage. Much less is known in the West about the sociological aspects of the subject. There are two reasons for this. For one thing, the frequently explosive implications of economic reform for society as a whole and for social policy have been dealt with in a more than circumspect manner in Hungary ever since the so-called Budapest school of sociology was eliminated in the sixties and early seventies. (Balla [B], 1974; Balla [ZS]). Secondly (and primarily) the professional interest of Western sociologists in East European subjects--most of which in reality are at the same time, as in the case of Hungary, Central European subjects and should really be defined as such--is rather underdeveloped, it is sad to

say. The following represents an attempt to review some of the main elements of Hungarian economic reform not only from the economic point of view but also from the social and sociological point of view and thereby to make a modest contribution toward closing the information gap.

As the work of a sociologist whose long years of practice have familiarized him with economic problems, the following article represents an attempt to review central features of Hungarian economic reform from the point of view of the linkage between economic and non-economic factors. In the interest of a clear presentation two sets of problems will be dealt with in a distinct and separate manner--one of them relating to economics and another primarily concerned with non-economic or socio-cultural aspects. But let us stress at the outset that the two areas which are being dealt with separately for analytical reasons are in fact interdependent and mutually conditioned. In this sense, the article intends to demonstrate that the primary significance of Hungarian economic reform lies in the fact that it must be seen in a broad overall social and cultural context and that economic success is dependent on a satisfactory solution of non-economic problems. Since we are dealing with what is officially described as economic reform, however, we will begin by turning to the primarily economic aspects of the problem.

From Permanent Shortages of Abundance Illusions to Prosperity by Way of a Scarcity Economy--Three Primary Economic Obstacles

It sounds exaggerated and almost euphoric when the proponents of reform talk about a "watershed" or "epoch-making transformation" (e.g. Barta [V], pp 28, 29, 32) in the economy or of a unique experiment and the like. But such descriptions are, if anything, understatements. This is particularly true because of the fact that the ultimate goals of reform have never yet been officially defined in a precise way and because it would probably be hard to do so in any event. The truth is that what has been called the Hungarian economic reform process in an offhand way is a long-term process which has been going on for decades. It consists of a long series of changing and oftentimes inconsistent official measures and an almost unsurveyable scholarly and public debate which included some very courageous and far-reaching proposals. Hungarian economic reform is a long-term process initially involving economic change without any clear and ultimate goals but instead with a great many obstacles and contradictions. For this reason, it would be inappropriate to attempt to draw up a list of accomplishments directed toward ultimate goals. It makes far better sense to review the obstacles to reform--first in the primarily economic area and then in the socio-cultural field.

The underlying reform trend, however, is clearly recognizable and in itself warrants the designation "epochal" and others like it. The primary economic goal is to effect the transition from the old, overly centralistic and dirigistic planned economy--also known as the plan directive

system or command economy--to a market economy mechanism operating under central direction. The reform measures and, in particular, the reform debates touch in a profound way on the two major differences between the capitalist market economy and "real extant socialism," i.e. the control of the economy and the ownership of the forces of production. (Aron [B], p 79).

The fact is that the reforms have caused and are continuing to cause major changes with regard to the management principles and mechanisms of the economy in the first instance. Economic activity is no longer based on more or less automatic, disciplined obedience to a quasi-military, central command system but on a type of control under which individuals, groups and organizations operate within a competitive system organized along price and market economy lines. At this juncture, the extra-economic, sociological dimension of the problem already begins to take shape. What is involved here is a fundamental transformation of the principles not only of economic but also of social activity itself--and this, in turn, is one of the basic concerns of sociology. A similar observation can be made with regard to a change relating to ownership of the forces of production. As far as actual reform measures are concerned, this aspect, to be sure, has been relegated to a somewhat subsidiary role; but in debates about reform it is accorded priority status and the extra-economic implications connected with it are quite obvious. In both areas the reform process thus has a diversified impact on the transformation how working people organize and what groups they belong to. Unmistakably, this also touches on cardinal issues in sociology. We need only remind ourselves that Georg Simmel called sociology the "study of the types of socialization." There are some innovative attempts now on the part of Hungarian sociologists to provide a systematic definition and analysis of this new social structure. (e.g. in particular Hankiss [V] and Forintos [V]).

Why has such a transformation become imperative ? When the central planning system was instituted, it held out the eschatological promise of the socialist movement with regard to the advent of a state of abundance and prosperity. But those promises soon turned out to be unrealizable illusions. The Hungarian economist Kornai described the realities of this economic system as a "scarcity economy" and applied that definition to all of East and Central Europe. (Kornai [B]). The necessity of economic reform thus is a practical result of the decades of experience the Hungarian people has had with an extremely deficient economic system which has been responsible for chronic material scarcity. The reform process is the outgrowth of a painful succession of events; a break with the illusion of abundance; an inescapable "confrontation with reality," as Andras Hegedüs put it when he called for and actively worked for a transformation of the economy and of society under the aegis of a critical sociology in the reform era of the sixties. (Hegedüs [BR]; more on Hegedüs, cf. same author's seminal articles cited in source references, translated by Balla [B], 1974 and Futaky [B]). This is another way of saying that economic change is

part of intellectual-cultural change. The return from illusion to reality encompasses a wide-ranging process of general reorientation in thought and deed which in certain respects could be compared with the "limits to growth" crisis in Western thinking. The outward trappings of monolithic socialism are falling away; the image of harmonious and unbroken unity of society is giving way to the reality of de facto pluralism and conflicts of interest to the extent that the utopias of abundance begin to dissolve under the impact of the reality of the continuing scarcity of goods.

Hungary today reflects this return to reality in a number of clearly discernible ways. It can also be shown that this empirical reality is being dealt with in the field of theory. Let us now turn briefly to a theoretical-programmatic statement because it was made by Imre Pozsgay, one of the leaders of the MSZMP. This clear and sharp statement appeared in NEPSZABADSAG, the party newspaper, i.e. it was addressed to the widest possible audience. The piece (Pozsgay [NSz]) entitled "Conflicts of Interest, Coordination of Interests," addresses the belief by the masses that "the struggle will soon be over once and for all and a society marked by harmony, order and justice will be achieved within a reasonable period of time." "Not a single work by any of the classic theorists supports this idealized state of affairs" and yet these illusions harbored during the era of revolutionary beginnings are understandable or even necessary. But in the end they must be relinquished, however painful that may be and it must be recognized that "there are bound to be conflicts of interest even under socialism." They are due to the interest relationships and the continued existence of differing interests because, Pozsgay goes on to say, "the persistence of conflicts under socialism is not attributable to the incorrigible nature of man or to whatever mystical causes but to the limited availability of goods."

It is symptomatic of the cultural reorientation how elegantly Pozsgay glosses over the precept of the inexorable advent of the communist state of abundance propounded from the time of Marx to the era of Khrushchev and replaces it with the inexorability of the permanent scarcity of goods. As it happens, the scarcity phenomena disregarded for decades moved into the limelight of economic and sociological scholarship in the seventies. "Scarcity" has almost become a fashionable byword--not only among the professionals. Modern economic management is based on the recognition and the efficient economic application of the scarcity principle. It rewards an economic system which deals efficiently with a constant scarcity of goods and human services to the extent that this system engages in successful competition in markets controlled by scarcity prices. (On scarcity problems from the sociological point of view, cf. Balla [B], 1978). The result of such activity--that, at least, is its ultimate purpose, its reason for being and, in general terms, also its reality--is that the consumers obtain a larger share of the scarce goods, i.e. they live better. The scarcity principle is directed toward the efficient use of the shortage

of material goods. The East European "scarcity economy" is the negative result of the systematic disregard of the scarcity principle in economic management. Conversely, the way out of the chronic scarcity economy leads through the efficient application of the scarcity principle. Economic management according to the scarcity principle calls for making use of prices as reliable scarcity indicators to carry out a continuing process of measuring, calculating and comparing economic performance and equivalent services in the marketplace. This entails the application of Max Weber's efficiency principle to the modern economy, i.e. his concept of "control by means of calculation." It is the central characteristic of the modern world which Weber viewed as typical of socialist management of a kind which did not yet exist in his own time but to which he referred in terms of "rational socialism." (Weber [B], pp 201, 203, 260, 317, 348, 349).

But in this regard Hungarian economic reforms are marked by a paradox which, however, is a determining factor for all the obstacles that stand in their way. The old command economy of illusory abundance which has turned into a chronic and systematic scarcity economy in real life is to be replaced by a new economy which promises people a better life. But this type of economy calls for competition, efficiency and a willingness to accept risks and that, in turn, demands far greater commitment and often-times much harder work from the Hungarian people (moonlighting, shadow economy, etc.). Against the background of these overall contradictions, let us now turn to the three most important and specific obstacles to economic reform in Hungary today.

1. During the course of the current reform era which began in 1978 several original and, in part, daring innovations with respect to market control and ownership have been instituted without, however, accomplishing a fundamental qualitative transformation of the economic system. A system of so-called competitive, world-market-oriented pricing was introduced---initially in name only without actually exposing Hungarian businesses to the risks of the world market. There were similar interesting experiments involving new forms of private and cooperative ownership and a variant of the many types of so-called "economic working groups" which provided for the individual members to be simultaneously employed in large factories. These workers sign contracts with their plants for work during their off hours which the plants are for some reason unable or unwilling to have performed otherwise. This type of cooperation which is based on this rather odd line of reasoning points to one of the problems underlying the reform process. The crux of the problem are large factories which have grown obsolete in terms of technology and organization; relics of the old command economy which cannot be exposed to the rigors of international competition and in which the scourge of protectionism, subventionism and inefficient, ideologically tainted management based on political connections keeps replicating itself. (For critique of such establishments, see in particular Hegedüs [KSz], Nyers-Tardos [V] and Szalai [V]). Bauer, one of

the most dedicated reform economists, has said of the present situation that is neither "[directed] planned, nor a [self-controlled] market." (Bauer [MV]). Bauer and other scholars like him fear that the Hungarian economy is not equipped to deal with the strains it may expect to face. They therefore call for a "second reform" involving far more radical measures which would lead to a profound restructuring of the management and organization and the ownership regulations of the large enterprises, e.g. management by banks, freed from state dirigism, of holding companies and/or management by company boards of directors. (Tardos [KSz] and [MV]). But at present the political will to go through with a "reform of the reform" simply does not seem to be there. The old partyliners and others interested in upholding centralism still seem to be firmly entrenched and the party itself--which seems to be two different parties at times--is following an extremely circumspect policy of compromise. (Cf. party documents on XII Party Congress [B]; also Az MSZMP [PE]).

2. The fate of economic reform is decisively influenced by the competitive position which Hungary--a nation lacking in energy resources and raw materials--occupies on the world market. This is where the acid test for the changeover to new practices and organizational patterns takes place and also where it becomes clear that Hungary has by no means surmounted its problems. For a decade, Hungary's international position has been marked by a drastic deterioration of her terms of trade (e.g. oil prices), by a strong recessionary trend and by protectionism. This is particularly unfortunate in the case of an economy (such as Hungary's) which would need to make substantial investments in order to modernize its technological base but which still has a huge debt burden to contend with despite its efforts to increase exports and cut down on imports and which is forced to pay off that debt in hard currency. (Csikos-Nagy [B]; Berend [AOec]; Szira [KG]).

Hungary is caught in a vicious circle. It does not have the funds it needs for technological modernization (which is indispensable for the country's future) and for another thing, efforts must be made to arrest any further decline in the standard of living. Hungary must solve three monumental problems at the same time: modernization; debt repayment and maintenance of the standard of living. In addition, there are the intensified constraints of defense and the deterioration of the international situation. Hungary's interest in peace and international cooperation is genuine because it is based on the vital interests of its entire population.

3. And when one looks eastward, other factors which do not favor reform become apparent. Hungary is not getting much help either economically or politically from that quarter. Aside from desolate Poland and from Bulgaria which is experimenting with extreme care in just a few areas, all the remaining CEMA countries are pursuing a non-reformist course. (Cf. critique on this subject by Csaba [V], 1982 and 1983). About one-half of Hungary's foreign trade, however, is with countries run by antiquated command econo-

mies. In these transactions in other words, activities and patterns of scarcity-oriented and market-oriented management do not enter into the picture at all. On the other hand, instead of curbing the opponents of reform, the CEMA member countries have been giving encouragement to them thus far--for reasons of political expediency and perhaps also because they begrudge Hungary the successes it has already achieved.

Sociocultural Obstacles: Legal System, Political System, Culture

1. Economic reforms have only partially been buttressed by a corresponding reform of the legal system. Max Weber, however, viewed a dependable, formalized legal system as the second pillar of modern efficiency (next to a sound economy), i.e. of an overall system based on the "domination through calculation" principle. Given the uncertainties of the legal system, the all too discontinuous process of economic change confronts those involved in economic life with an additional element of unpredictability. For that matter, this unpredictability has traditionally been part and parcel of any Soviet/people's democracy-style legal system because of its dependence on the volatile central will of the party. (Balla [b], 1972). This unpredictability manifests itself principally and most directly in the fact that the new economic management patterns and institutions are only gradually secured by new transparent and formalized legal institutions. This is understandable in view of the fact that a fundamental transformation of the legal system takes a long time, since economic reform calls for profound changes in social, commercial, financial, property and criminal law. (Petrik [V]). Major sectors of the new economic system--particularly the shadow economy which Hungary prefers to refer to as the "second economy"--operate in a less than clearly defined legal atmosphere. (Gabor [V]; Gabor-Galasi [Sz]; Galasi-Sziraczki [B]; Kemeny in SOVIET STUDIES and L'ALTERNATIVE). Secondarily and more subtly, however, these uncertainties with regard to the law are based on latent doubt about the permanent nature of the reform process itself. How many times have existing regulations and laws been rescinded by a mere stroke of the pen in societies of this kind! There is reason to believe that these uncertainties and doubts act as a brake on people's willingness to innovate and invest--and this at a time when a great deal of readiness to accept risks and to muster courage is urgently needed.

2. This brings us to one of the most important obstacles to economic reform, i.e. to the delay or even prevention of political reform. As we mentioned earlier, enlightened party theoreticians are aware of the fact that an economy operating on the scarcity principle creates conflict. These conflicts, however, need to come out into the open and to be dealt with in an orderly fashion. In other words, the transition from monolithism to pluralism in the economy calls for a corresponding abandonment of monolithism in political life in favor of pluralism. The representatives of differing economic interests must be able to avail themselves legally of opportunities to join together; they must be able to voice and

publicly discuss their differing views; they must be able to contend with one another within an institutional framework and be able to compose their differences in an open and orderly manner. For several years now, there has been a fairly open debate about the need for institutional pluralization of the political system. (Cf. especially Nyers, the primary initiator of the 1968 reform who was later stripped of his power in [KG]; also Futaky [B] and [MH]; in addition, most reform economists cited here, including Bogar [B]). Pozsgay's seminal article mentioned above also makes a strong case for this argument. "The various interests may be openly stated and may conflict with one another," he writes. "But there is a certain lag in this field...the organizations and institutions designed to deal with this are not always able to keep pace with dynamic social change. We have made more progress with regard to an understanding of these different interests than the development of an organizational framework to help us deal with this problem." Now this strong statement was made more than 10 years ago. It has not been followed by any noteworthy practical measures--except for a certain modest pluralization in the selection of individual candidates for the 1985 parliamentary elections.

A particular obstacle facing the economic reforms since 1978 is due to the fact that this time--as opposed to other times--they are proceeding in an anti-cyclical manner in relation to their support through a corresponding general readiness for reform in the political and cultural sphere--because all previous advances and/or phases of economical reform benefitted from simultaneous trends toward political liberalization and readiness for reform: the initial economic reforms of 1953 profited from the thaw in the East Bloc following the death of Stalin and from Imre Nagy's first minister presidency. The second wave of reform came in 1956-1957 when the economic commission headed by liberal academic Istvan Varga (Cf. Vatozasok on the very belated, posthumous recognition of Varga's work [B]) called into being by the new Kadar government submitted very far-reaching and daring proposals for reform in the general atmosphere of shock and new beginnings following the October uprising. And the reforms of the economic mechanism between 1966 and 1968 benefitted from the tail end of the wake of the general liberalization tendencies of the Khrushchev era (Prague Spring). But each of these three stages was followed by years of stagnation of economic reforms but not because of purely economic considerations but always under the weight of political imperatives: the blocking and subsequent removal of the Nagy-style reformers in 1954 and 1955; the stoppage of the work of the economic commission along with its plans for reform because of the ideological freeze in the East Bloc in 1957. (Lengyel [V] on blockage of 1968 reform process (L'economie hongroise...; B. Balassa in Hoehmann et al [B] by the left policies between 1972 and 1978; also see first four articles in VALOSAG No 7, 1978, a review of the first 10 years of reform).

It is not surprising therefore that economic reform is still loaded down by the heavy burden of doubt regarding the permanence of the political course. Legalized pluralization of the political system should not be restricted to the institutionalization of economic conflicts of interest but should extend all the way from a (not merely verbal) guarantee of human rights and the establishment of free trade unions to the legalized manifestation of political alternatives--so as not to say the reestablishment of alternative political parties. A reform of the economy would be meaningful and serve its purpose only as part of an overall reorientation of Hungary. This alone would offer a genuine guarantee for the durability and thoroughness of a reformed and pluralistic economic system. But at the very latest the events in Poland have demonstrated how narrow the room for maneuver in East Central Europe presently is in this regard. The hegemonial-military constraints of the system weigh as heavily on Hungary as they do on Poland.

3. But in spite of this need for a legal or, better still, constitutional expansion of the de facto plurality of the political system political reform is not the be-all and end-all for the success of economic reform--or at least political reform is more of an instrument in the service of a higher goal. Even profound political reform--if it could really take place--would be a failure if it were not subordinated to the more important goal--which is the development of an overarching national consensus on values which will have a universal integrating function.

In a command and scarcity economy, a centrally directed egalitarianism in life styles at low levels predominates as a rule. Discrepancies in social levels are repressed; privileged consumer opportunities of the favored social groups are frequently subject to secrecy. The competitive economy, by contrast, operates on the basis of intensive incentives for the expansion of material needs. As a result of the differences in economic success, social inequities tend to mount and improvements in life style are often flaunted as symbols of higher status and prestige. The successes of the Hungarian economic reform were also achieved to the accompaniment of a rapid and all-too-obvious emergence of social differences. The groups who have been successful and have acquired new riches are confronted by the classes of the disadvantaged: the old, the sick, those with many children, the poor, gypsies and young families who lack appropriate housing. Hungary is forced to concentrate its meager material resources on the modernization of the economy. Expenditures for social programs take a back seat; the funds available for such programs depend on the successes of the new ways of running the economy.

This represents one of the great contradictions of economic reform which could turn into one of the biggest and most socially explosive obstacles. As we have seen, the economic reform presupposes more and more open displays of differences and an open airing of conflicts of interest; but the social policy largely lacks the means to pursue a counter-strategy which might mitigate social inequities. The dilemma "more support for growth

or more social policy" is a well-known phenomenon in the West as well. For understandable reasons, this problem is far more acute and pointed in Hungary although the debate in the mass media is being kept to a minimum. But it is very much worth noting that the Hungarian Society for Sociology held an academic conference in 1981 entitled "An Inquiry into the Multiply Disadvantaged" at which the contradiction between the need for economic efficiency in a time of more difficult growth and the need for social equality was openly discussed. At this conference, Reszö Nyers, the leading reform economist, had a difficult time defending his position that greater efficiency has absolute priority because this is the only way in which the conditions for a better realization of sociopolitical goals can be achieved. (See conference report [Sz] No 3/4, 1981; Nyers statements on pp 291ff, 361f). In the years ahead, this tension is likely, if anything, to increase as the economy faces a more difficult international situation, increased pressures on the living standard and the threat of mass unemployment in case a reform of the large enterprises is undertaken.

This problem goes far beyond the immediate issues of economic reform but also beyond the issue of the pluralization of political institutions. In the course of the economic reform process the prior state of an enforced and fictitious identity of interests was liquidated: open differentiation of interests, pluralization and the emergence of conflict within the society have been pushed to a point which is not too far removed from "anomie," the state of general breakdown of social norms as described by Durckheim. The albeit priority task of institutional expansion of political pluralism is not of primary importance at this time, if that expansion is not accompanied, supported and inspired by the broadest possible consensus on values. This consensus would have to be based on the general acceptance of the absolute need for economic reform and would have to unite all segments of the population in a fundamental solidarity with the reform process in spite of the inevitable growth of social disparities. Western examples (from the past decade for instance) have shown that an otherwise viable system of political democracy may be faced with a crisis, if the value consensus on which the system is based and by which it is supported buckles under the pressure of unfulfillable material expectations. The most important task in Hungary therefore is not the institutionalization of a system of rules under which conflict may be resolved. At this time, the economic base is too fragile to admit of their resolution in any event. It is more important to arrive at a national consensus with regard to the ultimate, overarching value and meaning of the reforms so that these conflicts and inequities may be made a part of the fundamentally meaningful nature of the economic reform process with the help of a general attitude of solidarity. Only in this way can there be an expectation that the "population's readiness to endure"--a new concept in frequent use these days, with somewhat worried overtones--will continue to exist and that the delay in the resolution of social issues will continue to be accepted.

Economic reform, in other words, will not be decided either in the economic or political sphere but in the final analysis turns out to be a problem of ultimate values, i.e. of culture. If "economy" and "society" are to be understood as those areas of human existence in which the laws of the scarcity of goods and the conflict of interests operate, then "culture," in the sense of ultimate order and values, is that dimension of existence in which these conflicts are resolved from the point of view of ultimate common values.

This problem will now be dealt with in the concluding section of this essay and in doing so it will be unavoidable to shift the accent from the level of critical analysis to that of advice based on theoretical insight.

A Modern National Culture to Cope with Economic and Social Contradictions

The greatest obstacle to reform in Hungary is the following: on the one hand, reform offers a generally desirable and preferable alternative to the old command economy but on the other hand it can only make headway by heightening the conflicts of interest, criticism and dissatisfaction. Efficient economic activity by means of the scarcity principle can only be accomplished by making transparent, strengthening, creating and augmenting needs, demands and, as a result, scarcity. (Balla [B], 1978, chapters 3 and 8). If there is no overall consensus concerning ultimate values, then economic reform can easily fall victim to its opponents--the more so if the recession continues for any length of time. Particularly in an environment hostile to reform, a coalition made up of old party cadres, the gravely disadvantaged and the otherwise disaffected might cause economic reform to peter out and thereby bring about an enforced return to centralism or perhaps even kill reform altogether. The intelligentsia is sharply critical of some manifestations of the economic reform, pointing to socioethical problems, e.g. greed, corruption and lack of time which makes cultural activity impossible, etc. In view of the fact that poets and writers play a traditionally leading role even in the political arena, this must be viewed as a serious symptom.

The foundation of a general value consensus which supports the goals of economic reform, i.e. which would provide a cultural identification with a new life style can hardly be based on the economic sphere itself. National pride in the successes of Hungary's indigenous course or the higher rank Hungary has achieved within the East Bloc cannot in themselves provide a viable basis for this. The same thing applies to the undoubtedly widespread sympathy for Janos Kadar--the more so if we take the foreseeable end of this source of integration into consideration and along with it perhaps also the end of that tacit "social compromise" between the people and the party leadership after 1956 (Kemeny-Kende in COMMENTAIRE, No 2/1978) which is vouched for by Kadar himself and which serves as the social basis of all positive change since 1956. There are three value systems which could serve as cultural integration and identification points in that they are broad enough to mitigate the social and economic contradictions of change.

The first value system is that particular area in which human beings in their capacity as social beings can be called upon to partake of an all-encompassing identification and integration. One could call this "socialism;" but in its extant concrete form and its official ideological model socialism can be ruled out as an integration factor in Hungary--and a new model upon which a consensus might be reached is not in sight.

The second value system speaks to human beings by way of their ultimate, transcendental questions of existence and, in this manner, provides them with fundamental principles necessary for building a community. Religion and the churches, however, can also be ruled out as a general basis for cultural integration. Hungary is not Poland--above all because it is a mixed society subject to latent tensions in which the ecumenical movement is not fostered by the state and in which secularization both in thinking and in the institutions has progressed much farther than in Poland. (On religion and churches, cf. M. Tomka [Zsch.]).

That leaves the third value system which can appeal to human beings as members of a linguistic-historical-cultural unity and continuity in order to help them overcome their conflicts of interest and establish comprehensive identification. This sphere of national consciousness presents the real problems as well as the best chances to Hungary today to achieve a cultural identity of its own. Extremely important events and disputes in Hungarian history and national identity have not been resolved: the historical meaning, justification or lack thereof of two lost world wars; the resultant shrinkage of Hungary's territory accompanied by the loss of several millions of its citizens and their (in part) worrisome situation as minorities in their present host countries; the old dilemma of cultural orientation to the East or the West and, above all, the ban on a forthright debate about the October 1956 uprising. These are but some of the most serious problems. (Calls for and attempts to deal with the past in a forthright manner by Meszöly [V]; Szaraz [B] and Szücs [B]). Of course these problems cannot all be resolved quickly, satisfactorily or perhaps at all; but a constructive debate is indispensable to the establishment of a national consensus capable of creating solidarity, integration and a mobilization to cope with the difficult problems.

In the past few years there have been increasing signs that even the party leadership is aware of the seriousness of the problem of national identity. To be sure, there are substantial domestic and international as well as hegemonial and ideological barriers in this regard. But it appears that these could be overcome more easily than the ones which stand in the way of institutional, political pluralization. The practical advice by a sociologist in this respect might be as follows: The initial task is to recognize the importance of this value system; carefully to raise the issues and to wait for a situation in which they can be dealt with in a more favorable way. The foreseeable departure of the leadership generation involved in the 1956 events could have a positive effect in this regard.

A new national consensus on Hungarian identity coupled with efforts to synthesize the two other value systems, i.e. socialism and religion, could then create a solid cultural basis which would serve to mitigate the unavoidable strains and disappointments on the road to economic change which in and of itself would clearly be the right road. In other words, any so-called "Hungarian way" would have to be more than mere daring initiatives toward economic reform, clever and tough salesmanship or full shop windows for the benefit of foreign journalists and tourists. All this should be an important and yet only partial aspect of a thoroughgoing cultural reorientation.

This cultural reorientation would have to be supported by an intellectual leadership group whose members affirm and personally conform to the conflict-laden performance principles of economic reform but who are simultaneously aware of the fact that the ultimate meaning of culture is an accentuation of the values of being as against those of having (in Fromm's sense [B]; similar ideas by Hamvas [B] in Hungary); a compensation for the unavoidable shortage of material things by means of the plenitude of the immaterial. By their personal willingness to make sacrifices, the intellectual leaders would thus have to demonstrate to a wider public that a meaningful life can be lived even by doing without some material goods.

This seems to be indispensable for enduring the paradoxes of economic reforms; for any sort of hope for a longer-range, fundamental improvement in the midst of or in spite of temporary conflicts, crises and deprivation whose burdens the man in the street can only be expected to bear, if those at the top set an example by adopting a life style of self-limitation. That such an ethic of moderation in material things and a readiness for political compromise (Balla [B], 1978, p 166f) can work in practice and can even transform mass social activity into a politically effective instrument has been demonstrated by the Polish "Solidarity" movement. (Pomian [B], p 211; Tischner [B] and Touraine [B], p 104f in chapter entitled "Un mouvement autolimité"). It is to be wished that Hungarian economic reforms will proceed within the framework of moderating cultural change and that the country will be spared the perpetual political misery of its neighbor.

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CEAUSESCU'S 'ORIGINAL' VIEWS ON SOCIALIST STATE

Bucharest ERA SOCIALISTA in Romanian No 16,30 Aug 86 pp 1-4

/Review by Univ Prof Dr Ion Rebedeu of the book "The Workers Revolutionary Democratic State. From the Social-Political Thought of President of Romania Nicolae Ceausescu," Political Publishing House, Bucharest/

/Text/ Among all the far-reaching theoretical and practical problems presented by the vast process of building the new social order, a special place of vital importance and significance for socialist and communist construction is occupied by those concerning the nature of the socialist state, its place and role in the political system and in the evolution and management of socialist society, its functions and the directions of their development from the historical viewpoint.

In the revolutionary theory, the urgency of the problems of the socialist state is primarily and essentially due to the need of forming and creatively developing, in accordance with the great changes taking place in society, an innovating and profoundly dialectical conception of the state's content and courses of action by generalizing the experience acquired in building the new order and by determining on that basis the developmental trends and ways of improving the socialist state's activity, while boldly eliminating outmoded theories and practices and instituting new activities to fully promote the values of socialism.

Accordingly the recent publication of the book entitled "The Workers Revolutionary Democratic State" (under the heading "From the Social-Political Thought of President of Romania Nicolae Ceausescu," which has come to be symbolic of Romanian socialist intellectuality) is an important publishing event. It systematically combines the president's theories, principles and conclusions, of greatest significance and wide viability, concerning the many, varied and complicated aspects of a democratic performance and further improvement of the Romanian socialist state's activity and functions, all of which constitutes a theoretical edifice impressive in its bold and realistic originality, its coherent and profound scope, and the new horizons it opens up in the long-range view of the development of the Romanian state and political system in general and in that of the increasingly widespread and intensive promotion of workers revolutionary socialist democracy.

In the light of these important theoretical and practical-political criteria, which succinctly define the present major aspects and implications of the problems of the socialist state and democracy in general in today's world, the natural impression is indelible in the Romanian people's awareness that especially in the glorious period inaugurated 21 years ago by the Ninth RCP Congress the RCP made an exceptional contribution through Nicolae Ceausescu's works to the revolutionary, creative formulation of the theory of the Socialist state and socialist democracy.

In his political wisdom the party general secretary conceived of the socialist state as one of workers revolutionary democracy, initiating and providing with noteworthy consistency for the implementation of a broad and original democratic system offering the entire people an extensive structure for participation in state management, social government and solution of public problems. In his address to the Solemn Assembly on the 65th Anniversary of the Founding of the RCP Nicolae Ceausescu concisely but very eloquently formulated the Romanian conception (of which he is the inspired author) of the socialist state, saying that "A dialectical revolutionary process is going on of making the state a new and more and more democratic organism." This process is implemented, in accordance with the changes in society, through the reduction and disappearance of some of the state's old characteristics and functions and at the same time through the appearance of other, new ones, through the harmonious combination of the state's activity with that of the democratic public bodies, and through continuing improvement of its organization and performance while developing the principle, characteristic of the RCP's view of the system of management of socialist society, that "The state's role keeps growing throughout this period."

This book is divided into four large sections presenting in depth the party general secretary's views on the nature of the workers revolutionary democratic state as the supreme representative of the owners and producers and the organizer of the entire people's existence in common, on the place of the state in the system of socialist democracy, on its relations with the self-management bodies, and on the masses' direct participation in drafting and implementing the programs for national development. We may say the book takes up all the theoretical and practical problems in connection with promotion and improvement of the workers revolutionary democratic state and the system of socialist democracy. Throughout its contents, it brings out once again the innovating originality of Nicolae Ceausescu's theories and opinions, which have been and are fully borne out by experience in building socialist society in Romania, and the president's constant and persevering interest in extensive promotion of socialist democracy on the distinctly humanistic and patriotic principle that "Developing the RCP's political leadership does not mean monopolizing political activity but leads and must lead to the entire people's greater participation in the political affairs of society and to improvement and diversification of the structure for the participation of all social categories in democratic state administration." (p 151)

The following are only a few of the main considerations that lend a quite outstanding theoretical and practical value to the party general secretary's conception of the Romanian socialist state as a workers revolutionary democratic state: the innovating, antidogmatic approach to the nature and evolution of Romanian socialist society's political system; the firm conviction that "We must not be afraid to abandon the theories and ideas that no longer suit the new historical and social conditions" (p 14), which has become a guiding principle of

the theory of the nature and functions of the state in this respect too; the consistent creative promotion of the working-class conception of the world and life as an irreplaceable methodological basis for scientific treatment of the problems of democratic organization and management of socialist society; the revolutionary boldness in fighting routine and all that is old and outmoded in favor of constant innovation and improvement in accordance with the facts, experience and the necessities of the state's activity and the whole system of socialist democracy; the treatment of the socialist state's historical evolution not in itself but in close and complete correlation with the development of the other components of the social organism; the forms of organization and management of the socialist state based on dialectical correlation of the general and particular in socialist construction and on the fact that "Socialist development and the advance toward communism can succeed only by harmonizing the general principles with the specific conditions in each country." (p 19); the unremitting effort to improve the state's activity and to enhance its role in national socioeconomic development and in implementing the RCP Program through more and more thorough knowledge of the objective social laws and more and more extensive application of the advances of the contemporary scientific-technical revolution to social management, in close correlation with regular expansion of mass participation in social management, and the regular effort to promote the values of the new humanism and the principles of socialist ethics, justice and legality.

The book also brings out Nicolae Ceausescu's telling role in setting the goals for construction of the fully developed socialist society on Romanian soil, his ability to sum up social experience in conclusions of great predictive value, and his political and ideological capacities as a strategist and founder of the socialist Romania of today and of the original system of Romanian socialist democracy.

The following points are central to the party general secretary's conception of the workers revolutionary democratic state: consolidation and improvement of the state's functions as organizer and leader of all socioeconomic activity as an objective trend determined by social development, as indicated in the Report to the 13th RCP Congress; the unscientific and profoundly harmful nature of views favoring any reduction of the state's role; party leadership as a basic principle of all activity of the workers revolutionary democratic state, with emphasis on both the fact that "The party keeps improving the forms of social organization and management" according to the changes in society and with experience (p 30) and the fact that it is the party's mission as the leading political force of society and the vital center of the nation to secure the efficiency of the democratic bodies and their productive collaboration with the organs of the socialist state; improvement of the organization and activity of the Romanian socialist state and democratization of its organizational forms as objective necessities of the new stage of national development in order to enable all workers of all nationalities and the entire people to participate directly in forming the state's whole domestic and foreign policy and in implementing it; harmonious combination of democratic centralism and uniform management with the principle of workers self-management, since self-management and intensive promotion of workers revolutionary democracy entirely depend upon uniform management of all national development according to the Unified National Plan, requiring "all of the state's administrative organs to emanate from the masses and to operate in close unity with the people" (p 62); basing all the Romanian socialist

state's activity on the principle of collective labor and management as "one of the major sources of democratism of the activity of the party, state and public organizations and of correctness of the adopted decisions and measures" (p 46); formation and operation of twofold party and state administrative organs as an objective requirement for development of Romanian socialist society "in the regular process of correlating party and state activities more and more closely" (p 115); increasingly pronounced reduction of the state's repressive functions according to the stages of socioeconomic development and as the processes of state democratization and increasingly wide mass participation in social management are intensified and improved, while specifying that increasing "the state's functions does not mean developing the administrative or repressive aspects of its activity" (p 70) but curtailing them in favor of greater organization and management of all economic and social activity; harmonious collaboration between the state and the new democratic bodies created at Nicolae Ceausescu's initiative, which secure effective mass participation in management as a major aim of improvement in democratic social management; regular exercise of workers' and people's control over the state organs' activity as an inseparable feature of workers revolutionary democracy, the whole state organization to be "under the masses' control and responsible to them for the way they perform their activity" (p 131); self-management as a better way of implementing workers democracy and the need of developing workers self-management and economic-financial self-administration in the general process of developing democracy as an inseparable part of it, and further promotion and growth of workers revolutionary socialist democracy as a decisive factor for Romania's social progress and a guarantee of "successful socialist construction and Romania's progress to the heights of communist civilization" (p 157).

In its contents the book "The Workers Revolutionary Democratic State" strikingly brings out one of the most significant constants of the RCP's ideology and policy in the period inaugurated by the Ninth RCP Congress, namely President Nicolae Ceausescu's idea that "Socialism is being built with the people and for the people" and therefore "Socialism and democracy are inseparable" (p 141), the latter being an "essential aspect of socialist and communist construction" (p 165), an objective necessity, and the guarantee of successful construction of the new order. Nicolae Ceausescu said, "Socialism can be built only on the basis of the broadest democratic forms of the people's participation" (p 173).

The points about the inseparable unity of socialism and democracy, the qualities of the new democracy as the essential motive force for national socialist and communist construction and the favorable structure par excellence for full expression of the personality, and the content of socialist democracy, which will progress more and more effectively as the most advanced democracy in the world" (p 188), are red threads running through the entire volume of texts and the chief theoretical basis of the treatment and solution of the problems of social organization and management, from the nature of the socialist state in the stage of building the fully developed socialist society to the formation and improvement of the organizational structure for mass participation in managing all activities, from reform of the state's functions to workers self-management, from the dialectical relationships between the party and the state and between the state and the workers self-management bodies to consolidation of order and observance of socialist legality as regular requirements for development of workers revolutionary democracy, and from the activity of the people's councils as local organs of state power to the question of the state from the standpoint of the transition to communism.

The great relevance and particular theoretical and practical-political productivity of the party general secretary's points about the workers revolutionary democratic state, the system of socialist democracy, direct mass participation in management and ways of enhancing the state's role and socialist democracy originate in the dialectical approach to the problems of socioeconomic development and especially those concerning social organization and management. Nicolae Ceausescu said, "We must realize that in accordance with the new achievements and successes of Romanian society, and with the development of the productive forces and social relations the kind of work and organization of society and all the sectors is also changing, as well as the various conceptions of the activity of the state, the party, and the other organisms of Romanian society. They are all going in the direction of even more intensive development of the role of the masses and the people in managing and implementing socialist and communist construction" (p 193).

From this viewpoint, the book demonstrates very convincingly that the complicated problems of organization, operation and development of the socialist state are soluble only if one proceeds, on the one hand, from the premise that the structure, nature and mode of operation of the state change with the evolution of society, with the degree of development of the productive forces, with the level of scientific knowledge, and with society's objectives, and that consequently "The functions of the socialist state are not to be viewed statically" (p 89), and on the other hand from the principle that reflects an objective law to the effect that the new society is called upon to create the productive and stimulating structure for promotion of the broadest democratic rights and freedoms for all workers, since the essence of socialist democracy lies "in making all arrangements for the people's exercise of their sovereign right to participate in management of national affairs both directly and through their representatives" (p 140).

In the light of these methodological standards, the book brings out the brilliant way the party general secretary distanced himself clearly and firmly from metaphysical views of the state as something immutable and eternal and from the essentially voluntarist views that "The process of curtailing the role of the state in society must be expedited" (p 88) and gave scientific, innovative answers of extensive historical significance to the questions of the state's development, the evolution of its functions, mass participation in management and, in close connection with the latter, increasingly extensive promotion of the values, principles and standards of socialist democracy in all fields, from operation of the state organs and workers self-management to the area of social coexistence and human relations.

It may be said that the very title of the book "The Workers Revolutionary Democratic State" actually reflects in a succinct but most revealing fashion the radical changes that have taken place in the Romanian political system in the "Nicolae Ceausescu Era" as a reflection of the innovating social reforms and a result of the RCP's creative and profoundly patriotic policy, and it conclusively demonstrates the new, profoundly and broadly democratic character of the Romanian socialist state. As the party general secretary said in his speech at the Plenum of the RCP Central Committee and the Chief Party Activists in July 1985, "While eliminating certain abuses and old characteristics of the state, and especially the character of the state as the instrument of a class to dominate

other classes, we are building a new, democratic state in which the people exercise power directly but which provides for the unity and management of all activities" (p 75).

Taking account of the reforms that had been made in Romanian socialist society, the profoundly democratic innovations in the state's nature, functions and activity, the real and effective assurance of equality, social and material justice, and the constitutional rights and freedoms enjoyed by all citizens regardless of nationality, sex or religion, the institution of a broad framework for the people's participation in direct social management, from the workers councils and general assemblies to the congresses and councils for activities on the national level, the close correlation of the state's activity with that of the democratic bodies, and the fact that "The organs created and the Romanian state itself are the most democratic reflections of social management by the people" (p 15), Nicolae Ceausescu formulated the conclusion with revolutionary boldness that the idea of a dictatorship of the proletariat no longer suited the social-historical realities in Romania and recommended with notable political foresight that "We adopt the principle of the workers revolutionary democratic state, which places the development of human society in a new and better light" (p 72) and brings out the superiority of socialism as the most democratic and humanistic order "in which the people make their own future purposefully and in complete freedom" (p 16).

Since the state is the owners' and producers' supreme representative and the organizer of the entire people's existence in common, and in view of the intensive development of the productive forces and the unprecedented expansion of socioeconomic activities, as well as the need of harmonizing private with general interests and of prompt resolution of any contradictions or dysfunctions that may arise among the various components of the Romanian socioeconomic organism, the party general secretary set the major requirement of "enhancing the role of the state and its organs in good planning and uniform management of all socioeconomic activity" (p 192). In Nicolae Ceausescu's view this requirement is closely correlated with that for the workers widespread and active organized participation in social management. The reader of the book is impressed by the president's constant concern and efforts to form a broad framework for direct mass participation in government of society. He points out to this effect that "Through the formation of the new democratic bodies and the activity of the mass and public organizations and of the Socialist Democracy and Unity Organization, we are providing extensive democratic conditions for the entire people's participation in management of society and of all socioeconomic activity and in formation of their own future by the people themselves. We can state that the new Romanian workers revolutionary democracy is far superior to any forms of bourgeois democracy" (p 169).

On the basis of this democratic, profoundly humanistic view of management of socialist society, the party general secretary formulated the principle of collaboration between the state organs and the new democratic bodies. The principle was developed in the Speech at the Plenum of the RCP Central Committee in June 1986, wherein he said that we must proceed from the fact that the state organs and the new democratic bodies comprise a single whole, and that together they represent and reflect the profoundly democratic nature of the Romanian state and of workers revolutionary democracy.

In a creative way and in the spirit of the values of revolutionary humanism and socialist democracy, Nicolae Ceausescu theoretically clarified the complicated problems of correlating the party and the state in the sense that "The state and its organs cannot be replaced by anyone and accordingly not by the party organs either" (p 83). Accordingly it is one of the party organs' important tasks to make every effort to strengthen the state's role on behalf of the efficiency of its organs from top to bottom.

By explaining in depth the significance of the qualitative innovations in the content and functions of the socialist state as a state of workers revolutionary democracy and that of the institution of a far-reaching and original structure for the people's direct participation in social management, the president substantiated the need of regular improvement in socialist democracy with the realism and dialectical differentiation that characterizes his political thought and revolutionary action. As he says, "We do not think we have attained the maximum development of Romanian democracy. That is and will remain a continuous process. The problem of finding the best ways to secure workers participation in social management will still come up even in communist society" (p 169).

In this dialectical view of broad theoretical and practical scope, the emphasis is upon consolidating the democratic operation of the state organs, upon extending the functions of the Grand National Assembly as the supreme organ of state power and improving the work of its standing commissions, upon enhancing the role of the people's councils, as local democratic organs of state power, in management of all socioeconomic activity on the regional level, upon ever closer coordination of state activity with the masses, and upon the need to act with "all determination against instances of bureaucracy and routine performance." Accordingly it is highly important to make better use of the democratic structure that has been created with greater social and political effectiveness, and especially to enhance the role of the general assemblies in the socioeconomic units, through intensive development of their sense of responsibility and revolutionary spirit, regular improvement of the workers' occupational and political-ideological training, and expansion of their horizon of culture and knowledge in keeping with the idea that "Now it is essential to provide for the efficiency of this democratic structure and for full use of its potentials" (p 166).

The president of the republic feels that exemplary discipline and perfect order, an effective display of every collective's sense of responsibility for careful management of the financial and material resources entrusted to it as part of the entire people's general wealth, and strict observance of socialist legality are indispensable to the efficiency of the workers revolutionary democratic state and to the further development of socialist democracy. "There can be no legality or socialist democracy when the laws are disregarded and violated" (p 50).

Transfer of some of the Romanian state's functions in the present stage to the masses and workers collectives is characteristic of the process of improving its activity. Accordingly the book emphasizes the political and social significance of reeducating offenders and violators of the norms of social coexistence and the laws of the land and of developing the role and responsibility of the party and state organizations and the mass and public organizations, writers unions, the press and TV and the institutes of art and culture in the effort to train

and indoctrinate the workers in the spirit of the communist standards and principles of living.

Improvement of the state's activity according to the principles and standards of the new democracy, enhancement of socialist democracy, better use of the creative-participative potentials of the democratic structure instituted on the initiative of the party general secretary and president of Romania in the period inaugurated by the Ninth Party Congress, and fertile, substantial and regular collaboration between the state organs and the democratic bodies all find their real social purpose, as the texts in the book eloquently indicate, in development of the state's role in uniform management of socioeconomic activity and securing the continuous progress of Romanian society according to the guidelines set by the RCP Program and the documents of the 13th RCP Congress, in strengthening the unity of all workers regardless of nationality and the entire people around the party and its general secretary, and in enhancing every citizen's sense of responsibility for the general interests of society. Accordingly, as the party general secretary says, "Implementation of the decisions of the 13th RCP Congress requires improved management and planning and development of the state's role in all activities, along with increasingly intensive development of socialist democracy and of the new workers revolutionary democratic bodies" (p 112).

By its entire contents, by the exceptional theoretical and practical value of the theories, guidelines and opinions of a fundamental nature, which make up a coherent and original conception of the Romanian socialist state and the system of Romanian socialist democracy, by the description, in a noteworthy dialectical treatment, of the interactions within socialist society viewed as a system that determine and specify the evolution of the socialist state's functions and the system for the people's participation in social management, and by the way the distinctive features of Romania's national historical development are defined in theory, the book "The Workers Revolutionary Democratic State" clearly presents Nicolae Ceausescu's telling role in realistic and creative planning of Romanian society's directions of development and improvement and his talent as the architect of the great edifice of socialist democracy, while also brilliantly recording the RCP general secretary's great contribution to the development of the revolutionary theory and to the enrichment of the treasury of scientific socialism.

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READER OBJECTS TO 'OFFICIAL' VOJVODINA STANCE

Belgrade NEDELJNE INFORMATIVNE NOVINE in Serbo-Croatian 16 Nov 86 p 8

[Letter to editor by Stevan Miskovic, Pancevo: "Nobody Asks Me"]

[Text] I have been carefully following the discussion in Serbia's assembly about realizing unity and community spirit [zajednistvo] in Serbia. According to POLITIKA of 25 October, Vojvodina delegate Tomislav Bundin said that the stand taken by Vojvodina's assembly expresses the wishes of the 2 million inhabitants of the province.

We can testify to the fact that politicians, in their speeches, are more and more frequently resorting to such "strong arguments," presuming to speak in the name of the entire population of their respective sociopolitical communities.

I truly do not know the basis for the assurance of Comrade Bandin and Vojvodina's assembly that they know the wishes of the 2 million inhabitants, but I can say that my view on this question is not the same as the view advanced by Vojvodina's delegates and assembly.

I can also say as a communist, worker, and "inhabitant" of Vojvodina that no one has asked me for an opinion on this rather important question, nor has anyone asked many others of the aforementioned 2 million.

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SITUATION, EXPECTATIONS OF LUTHERAN COMMUNITIES REVIEWED

Hamburg DEUTSCHES ALLGEMEINES SONNTAGSBLATT in German 12 Oct 86 p 17

[Article by Sabine Wegner-Ahnert: "Proud and Firm in Their Faith"]

[Text] Lutherans are a minority in Poland. But not so in the Cieszyn area. The Augsburg denomination is deeply rooted there. There are even new churches under construction.

The Polish-made Fiat is leaping all over the road. Through chuck holes and deep ruts made by tractors and Panje vehicles, the road leads past wooded areas, fields and meadows. Fog and the light of dawn paint the landscape gray and almost obscure the mountains that surround this valley: a Sunday morning in the Beskids.

The highlands that bear this strange name are located in the south of Poland. The poor soil here produces only oats, barley and beets. But it is a very fertile area in another sense: "The Cieszyn country," as it was known at one time, is a citadel of the Protestant faith in the Augsburg tradition. In this part of Poland, a Protestant Christian is not a member of a tiny minority, as he would be in the rest of the country. Of 70,000 Protestant Poles, 40,000 live in the valleys of the Beskid.

After Cieszyn, the small town of Ustron is the second largest community in this region. Early on Sunday morning, Pastor Szembor is up and about with his three vicars, a student of theology, organists, and choir leaders to conduct services, Sunday school, and Bible class in the six branches of his congregation. They will have a busy day, but their work will be worthwhile. By evening, the pastor and his helpers will have seen about 70 percent of their parishoners.

Take the town of Gorki, for example: this chapel congregation numbers 350 members. When work on enlarging the former cemetery chapel began 3 years ago, it did not occur to anyone that 250 seats would not be enough. A path leads past the cemetery, on an incline, to the Church of St John. The cemetery is divided into two sections by a beech hedge--to the left are the Protestant, to the right the Catholic graves. A distance is maintained even beyond the temporal existence. Experiences older than the trees and the graves live on in painful memories.

Inside the chapel the visitor encounters the smell of pine needles and resin. Hand-carved wooden paneling and pews, lacework in all possible places, and other types of decoration lend emphasis to Pastor Szembor's words: "They cannot live through the whole, long week without the church. So they come in during the week, too, to repair and improve things here and there."

The Luther rose has preferential status among the artistic woodcarvings in the region's churches. This symbol of the Lutheran tradition, with its five sepals that appear to diminish into thorns almost forgotten elsewhere, flowers in profusion on altars, pulpits, reading desks. Memories of the Reformation and Counterreformation are so vivid here that they seem like recent events. It is as though the stylized thorns still make themselves felt.

But it would be a mistake to speak only of pain. Pride, steadfastness, eagerness to do battle, and self-confidence are in the air when the people of Ustron talk about their traditions, which are 300 years old yet still young today.

Everything comes together in Rownica. High above Ustron, hidden in the woods, is a rock with these words engraved in it: "Remove the shoes from your feet, for the place on which you stand is holy." This was the meeting place, secret and fraught with danger, of those who during the Counterreformation wanted to remain true to the Augsburg denomination. This clearing in the woods is firmly embedded in today's congregational life. Once every year Protestants from far away come here. They assemble around the rock and conduct services. The date is chosen with something special in mind: Their mighty demonstration of Protestant faith takes place on Corpus Christi Day, the great feast day of the Catholic Church.

The pastors' ecclesiastic garments likewise reveal signs of clever resistance. The black gown and bands are covered with a magnificent white lace wrap--a sort of mimicry. In the days when people risked life and limb to assemble in the woods to attend a Reform service, this cover provided a disguise. Seen from afar and through the bushes and trees, the pastor looked like a Catholic priest.

To understand today's Polish Protestants, we must keep something else in mind. Almost 300 years after the end of the Counterreformation, the parsons were forced once again to go into hiding or to flee. They shared the fate of other Polish intellectuals and found out that things other than salvation came from the country of Luther. From 1939 to 1945 they were in mortal danger, not because they were Protestants, but because they were Poles. An 85-year-old retired parson in Ustron tells how he was replaced by "a German Christian from the German Reich." That "co-religionist" quickly replaced the Polish prayers and hymns with German ones, but only "to empty pews." Two clerics of the Cieszyn congregation did not reach safety. Among the pictures of the succession of pastors hanging in the sacristy are those of Karol Kulisz and Josef Nierostek--murdered in Buchenwald and Maidanek, respectively. There can be no clearer proof than this of the fact that Protestants in Poland have Polish nationality and that they have suffered for it. Even today they refuse to be taken in by the Germans, despite the fact that they are Protestants. At the same time, they fight against being rejected by Poland because they are not Catholic.

Today there is no longer any need to hide out in Cieszyn country. Gustav Janik, the curator (chairman of the church council) of Ustron, gladly displays himself and the things he owns. He is a highly respected farmer and one of the most affluent in the area: He owns 24 hectares of land and 40 cattle, together with sheep, geese, and chickens--outward signs of a blessed life.

In the meantime the 69-year-old man has transferred his tradition-laden farm to his son. He is presently joined by the ninth generation of Janiks in his work on the farm and in the fields. An old tribe--Protestants and Poles at the same time. "Here at home we need not be ashamed to be Protestants. We have the biggest farms," says Janik, "but elsewhere we suffer for it. The Protestants are leaving the country."

A much greater percentage of Protestants makes its way to the West than of Catholics. It is a particular hardship for young people not to be among the 97 percent who are Catholic. Many congregations have been dissolved in recent years. With irony and sadness, Pastor Szembor reports that the two "branch congregations" of Bielefeld and Hanover are bigger today than his former congregation in the far north. "We lose a great many through departures for the FRG, because it is the young and active people who are leaving our congregations. They are the ones who still dare to make changes. The ones who stay at home are the old folks, the grandparents' generation. We can calculate how long it will take for our individual congregations to die out."

Things are different in the area near the headwaters of the Vistula, around Ustron. Here the parsons confirm a respectable number of boys and girls every year. Carefully made posters in the chapels and in the communal buildings, showing photographs of recent confirmees, prove that there is a future in Ustron. And work is proceeding toward that goal.

While in our country the demand for knowledge regresses markedly at the end of the confirmation period, the obstacles that must be overcome by the children of Ustron at the start of their confirmation instruction period appear formidable: Only when the 13-year-old children have passed an examination given by their pastor and the church council to prove they have learned the essential parts of the catechism and Luther's interpretation are they accepted for instruction.

Sunday school serves to prepare the children, in the most profound sense of the word. Even at the tender ages of three and four they seek out the catechist in order to absorb knowledge. Prior to going to church themselves, mothers and fathers take the little ones to the community auditorium, remove their jackets and knitted caps, and one more time straighten their tousled hair. Then the lady catechist takes over. Sixty children sit still with folded hands and listen.

Congregations without worries for the future think about expanding. Churches are not built on contract--everybody pitches in. Wood for beams and pews, and field stones for the walls are no problem in this wooded area. Until recently, however, it was quite difficult to obtain a building permit. At the time of Solidarity, there was a fair wind blowing for the Protestants. To stem the influence exercised by the Catholic Church, the state suddenly showed an inclination toward granting building permits for Protestant churches. That, at least, was the interpretation of one church member, who added: "Now we'd better hurry up."